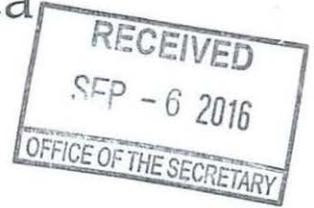


August 24, 2016

United States of America

Before the

Securities & Exchange Commission



1. ADMINISTRATIVE PROCEEDING FILE NO. 3-16228

To get started right away, just tap any placeholder text (such as this) and start typing.

In the matter of

NAVAGATE INC. AND

GREGORY RORKE

Respondents.

ADMINISTRATIVE PROCEEDING

FILE NOS. 3-16227/3-16229

In the Matter of

MIDDLEBURY SECURITIES L.L.C.

And GREGORY OSBORN

Respondent.

Gregory J. Osborn

Ridgewood, New Jersey

Declaration of Gregory J. Osborn in explanation of actual events and opposition to Jim Robinson & Middlebury's FINRA settlement, representation of facts in statements to the SEC regarding Navagate and Greg Osborn as well as explanation of certain SEC claims.

A handwritten signature in black ink, appearing to be "G. Osborn".

Personal note to Judge Elliott:

Honorable Jude Elliott,

Thank you for taking the time to review my response. I am excited to have for the first time an independent, impartial person will review the events surrounding the Greg Rorke/ Navagate Matter. I have never had an opportunity prior to this as I was compromised by lack of funding, [REDACTED]

[REDACTED]. This is also an opportunity for you and the SEC to have a look through the window of the FINRA prosecutor's misleading accusations that may have improperly influenced the SEC regarding the Navagate facts, my character and intent. As a person with such power in deciding my past, my character and influencing my future I can't stress how important your opinion is for me and my family. Not to mention my sanity. Again, my apologies for the email violation and the non legal background responses.

You reminded me the burden of proof is on me. Hence, I provide the enclosed. I think you will find that over the last five years, the pain and suffering caused me by Mr. Rorke's Lies, Middlebury's Managerial incompetence and a vindictive FINRA prosecutor's abuse of powers far surpasses any financial penalty due me as I do not feel I did anything intentionally other than trust and depend on all parties involved.

I also believe FINRA then collaborated with Middlebury to massage/alter the positions stated in Middlebury's executives OTR interviews and their original FINRA response to FINRA's accusations in a United desire to posture me in the wrong light. I am so convinced of all this, I hope that you, collectively with the SEC might reevaluate my "additional SEC penalties" and help me salvage my life and family by considering removing my "Bad Actor" label. (Which no one informed me of when I settled) I would like to know how you might request FINRA appropriately cleanse its public recording of events to reflect the truth. These false accusations are my public GOOGLE search and digital footprint in life. They harms me everyday. I assure you, I am not what Mr. Newman led the SEC to originally think as it was and is inaccurate and misleading as was the Middlebury Settlement. Perhaps remove the Barring and limit the time of removal of license. (I would gladly agree not to re apply) as to help with my reputation, career and family.

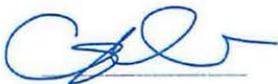
WHO I AM.

I am not a advantaged person. I lived at home until I was 23, was active in my community and church. I stayed home for college, worked 50 hours a week to pay for school yet. I won the leadership award, was full honors and was elected to give our college commencement speech. Prior to this horrendous debacle I was active in my community, a huge volunteer and on the Board of Bellevue Hospital's Children of Bellevue, a Coach and a Cub Scout leader. I live for my character and teaching children ethics and values in sports and life.. I was active with WaterKeepers and to this day I pick up water bottles when I walk on the beach. I clean up rivers and lakes. I had never appeared before a judge before other then 2 small moving violations in my life..

I grew from nothing with no connections to a proven leader at Smith Barney and was given a role in the handling of their key client Executive accounts. After losing confidence in the brokerage business, I sold everything and moved home at 34 years old to fund two companies payroll, (including one of the referrals, Jordan Stanley and Freeride.) I gave my all to the investors and every company I ever assisted. I took on my wife's first two children. This is why this entire event has affected me so harshly. This is not who I am in anyway. If you look, at Middlebury's FINRA Response (EXHIBIT #1 #1) The escrows, the conversions are all perverted in a way to mock and harm me. If desired, I could provide mine, but I felt the irony of the power of their words versus simply the records and mine are even better as they were unbiased. I would never think of intentionally harming someone, let alone do it. (All associates in the OTR's say the same. I simply couldn't and can't comprehend what has happened to me over Mr. Rorkes lies coupled with a rogue lying, vindictive prosecutor and Middlebury's compliance and managerial failures. As a result I have lost everything can not escape these false electronic descriptions of me and I'm sick and exhausted. This process has been ongoing for over 5 years now. My health, income and rights to "life, liberty and the pursuit of happiness" aka a fair reputation and right to a job have been compromised by an elongated, redundant regulator processes performed by affiliated entities.

Please forgive my lack of legal experience in my approach. My apologies in advance if my style mocks or offend you or your office. It is intended to honor you and explain myself.

Thank you,



Gregory J. Osborn

NOTICE: I do not have access to all the documents, emails records and/or the Rorke assets and other relevant pieces of information. But, we can request them from FINRA.

GENERAL NAVAGATE DECLARATION: - TEAM EFFORT.

For the record. Post learning of the Navagate default and prior to knowing all the frauds, I initiated and paid for the Navagate Investor Lawsuit. I negotiated the sale of a large receivable to prevent the IRS from foreclosing on the Company due to the additional taxes. This sale provided a large payment which enabled additional funds so many investors could collect their investment. It is stated that there were \$1.4 million in investor losses. I do not believe that is entirely accurate, see EXHIBIT #6, page 6.7. These investors, including o'leary payoff which is not defined herein were paid in two separate payments of 20% of their original investment for a total of a 40% recoupment due to my efforts. This suggest that a majority of the people with 100% losses were in fact Greg Rorke's introductions whom were his former Students and friends.

The Middlebury team also met Greg's wife and daughter during the process and everything seemed copacetic and we had no reason to be suspicious. He was not lavish and drove a dated Volvo, he maintained a moderate office and was winding down a venture portfolio with credible partners in the same office. One being Teters the third largest plastic flower company in the US, with Walmart as a client.

During this period, Chris Shaw, who seemed to had lost his memory in all his SEC interviews, was also working on a debt financing for Mr. Rorkes Teter's Company at the time as well. This asset which was one of Rorke's solo holdings was valued at \$1.2 million. WMD (our Counsel) referred us the Navagate deal, they prepared all the documents and provided some due diligence.

(Middlebury's Counsel WMD then became NAVAGATE' COUNSEL during or immediately post the funding! If they had any concern's, would they have done this? I think not. One exhibit the SEC threw out was an email where I state "this is a CYA EMAIL" it was! It was WMD's post fraud email saying "we weren't responsible for the due diligence. You will see later this is inaccurate as they provided Good Standing verifications, prepared the documents, collected and provided the guarantees

WMD prepared all the offering documents. The company prepared the PPM's. Grannus (Joe Zappulla did some due diligence and prepared the 40 page Navagate Valuation which valued the Company at \$20,000,000 and Rorkes shares at \$4-5 plus million. See EXHIBIT # I only include the first five pages of the Valuation report. Entire report available upon request.

Teicher, Shaw, Zappulla and Robinson my multiple times with Rorke. They also brought in their investors, (absent Zappulla). All Navagate escrow accounts were opened or managed by Donna Schultz, Mike Teicher, Craig Sherman, McMillan Constabile or WMD. See EXHIBIT - wires.



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WMD collected the HSBC account (I also saw it in Rorkes office) and forwarded it to us. I couldn't locate that. Again the SEC and FINRA have it . We assumed that since the balance sheet EXHIBIT also came from Counsel it and the cash were accurate. We had no reason to question it.

The SEC also questioned when we found out about the HOUSE asset being transferred. I said we didn't recall. They stated correctly that in fact it was in the private investigation report we had done. However, as I said, we did not pick up on that at the time for two reasons. One, it was entitled, Mr. Rorke residence is at X, Y and Z. As this was not a thought on our mind and we did the report for the Taxes, we primarily focused on that and were cheering it verified their were no taxes outstanding.

EXHIBIT #6, page 6.8. & 6.9 Robinson, Middlebury and Craig Sherman borrowed \$80,000 from Greg Rorke and never paid him back. The funds sent from Greg to Middlebury Vermont at the request of Jim Robinson. EXHIBIT #6 page 6.10 Tjim also borrowed \$50,000 from Tim Lane for his FINRA Capital needs. (Everest Capital). Jim states, I was affiliated with Everest. - I WAS NOT. Jim states a payment to Everest from the Navagate Proceeds was my earnings from Navagate. _ This I am not confident that was the case as I believe tjim paying Tim back.. The Rorke Loan restates Jim's relationship with Navagate and shows his character by not disclosing or paying it back. It appears as an inherent conflict. .I brought this up to FINRA's attention and it fell on deaf ears as all their efforts were focused on me.

If Jim borrowed from Greg Rorke and if Chris was helping on Greg Rorke's company Teters, they must have trusted Mr. Rorke. The irony in all this, I didn't gain here at all, but I received all the blame. Mike Teicher brought his best two clients in, he must have trusted. It was only post the FINRA audit, everyone seemed to slightly change their tune that everyone was involved and almost as excited as me about this opportunity.

This again demonstrates this was a team of trust. WMD becomes counsel, ROBINSON BORROWS \$80k, Shaw does work, brings in a client and pursues another Rorke deal and Teicher meets, brings in key clients and reviews email and balance sheet as a 24 and never second guesses it

Yet, Mr. Newman refused to pursue anyone but me and neither does the SEC. (Perhaps because they counted on Newman's work.) At the same time Newman turns a blind eye to many facts demonstrated here and the others actions. He continued to suggest I was to blame, or I misled people. Again, why on earth would I mislead ten of my 10 closest relationships on a small \$2 mill Bridge (We did ~ \$1.8 million of the bridge).



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GENERAL RESPONSE REGARDING FILE NOS. #-16227 / 3-16229

OUTLINE of RESPONSE:

Middlebury and I are the true victims of Greg Rorke's lies. We relied on many additional parties, including counsel. I understand we had our opportunity to defend the SEC accusations. However, I ask both the SEC and the ALJ to evaluate the enclosed in rendering both your financial judgment and my prior requests, The below are my responses to Middlebury and my recollection to all regarding the Navagate Matter, my overall role and responsibilities at Middlebury, my profit, and my/our dependence on the collective Middlebury team and affiliates. I hope it might alter the SEC's perspective.

1. The enclosed will demonstrate that the FINRA prosecutor needed a fall guy regarding the Middlebury and Navagate matters and he chose me versus looking at the true events and facts surrounding the Navagate Matter and other Osborn accusations. He dismissed the concept of the team and the teams efforts and intentions. I believe the SEC whom relied on FINRA's work, was influenced by FINRA's bias.
2. I will reiterate that our viewpoint of what the outstanding Navagate Tax amounts were are as we understood them to be and that it was disclosed.
3. I will demonstrate that I did NOT net a large amount of the Navagate fees as Mr. Robinson suggests. In fact I funded the expenses and the Middlebury team at a \$800,000 cash loss. Sadly,
4. I will demonstrate I am for all intents and purposes completely bankrupt and that my career was destroyed as a result of Middlebury's failure to fulfill its Compliance, Management and Supervision responsibilities and a Rogue FINRA prosecutor.
5. I will demonstrate how my mental and physical health has been compromised by FINRA's false accusations, settlement statements, harassment and the continuum and redundancy of the SEC process.
6. I will demonstrate how Middlebury's Management team and the FINRA prosecutor collaborated to position me as the fall guy in exchange for each other's benefits whilst harming me with their final altered settlement statements. This negatively influenced the SEC's perspective of me from the GetGo.



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BACKGROUND, FYI & DECLARATION BY GREG OSBORN:

When meeting with the SEC regarding the Rorke Matter , I was suffering immensely and [REDACTED]. I was out of money and could no longer afford counsel. (See The therapist letter.). Hence I rushed a settlement as I was \$90,000 in legal debt, in pain and they would not continue helping me. I was already ruined by FINRA over the same matter. My claims and evidence fell on deaf ears at FINRA as they already "shot" and bullied me into a settlement. A settlement that when meeting with the SEC had already influenced them. I also hadn't the capacity to function or defend myself as I was broken medically and financially as I had lost virtually everything including my license, savings, career, reputation and health, . (My marriage hangs on a thread.)

I still owe Herrick Feinstein \$90,000. I am and was so fragile regarding this issue, I never was capable of reading my SEC settlement or the MIDDLEBURY settlements until these last few weeks in an effort to finally try to help myself and my family by ending this chapter in my life.

I appreciate and respect the roles and the huge responsibility the SEC and the ALJ play protecting Investors and disarming criminals. However, we are not criminals. So, do we need so much harm? Post the Rorke demise, the other Middlebury Reps and advisors entered into a self protective defensive distancing themselves from the matters at hand, leaving me holding the bag, as Newman already set the table he was after me. Hence the SEC went after me. .

When we were first approached by the SEC, it was under the professional guise of an audit on Fisker Inc.. I share this because, we passed the Fisker audit with flying colors and it proved that I actually paid for "additional Fisker expenses" that were not accounted for. This reaffirms my character and actions and that I put my investors first versus the concept of me ever intentionally harming an investor. I invested alongside them as well. The SEC audit will attest to this.

RELiance ON MIDDLEBURY ET ALL:

I have been a series seven registered representative for 26 years without a prior issue or complaint. I joined MIDDLEBURY under the auspices that I would operate in a sales/banking capacity.. Jim Robinson and team would provide all the compliance, regulatory, due diligence and commercial support. (EXHIBIT #4).

Obviously that was critical to me as I had no regulatory, operational or compliance experience and was only a series seven registered rep. I had no desire to have that role as I was unfamiliar with many of the FINRA rules and regulations as I was not trained and/or registered in that capacity and I am not a detail person per say.



I was at Axiom Capital Management before rejoining Middlebury. When Robinson recruited me. I insisted Jim engage Axiom Capital's Compliance team upon my rejoining of MIDDLEBURY. Jim stated that this group didn't have a deep enough bench and that they were too expensive. (Eric Miller, formerly Stock Cop is now the Compliance officer at Axiom.) Jim picked his team.

As a salesperson I worked alongside and with the support of his entire Middlebury team, including Series 24 Managers/representatives James Robinson, Michael Teicher and Donna Schulze as well as Middlebury's outside "compliance group", Craig Sherman, Middlebury's legal entities and Wollmuth Maher & Deutsch LLP. I operated solely under the operational direction and supervision of James Robinson, Mike Teicher et al.. I had Middlebury's, affiliates, managers, 24's etc approval at every step of the way.. Please note that there was not one offering document I wrote, not one escrow account I opened or one escrow release I wrote. I only reviewed parts or signed off when advised by Counsel and/or my 24's to do so. EXHIBIT – Escrow releases which are a variety of random emails demonstrating the others involvement and direction.

The firm, compliance, my managers and the firms advisors directed and/or approved all my activities. No one ever suggested anything that I was doing was incorrect, not appropriate under my series seven registered ability or remotely unethical. It was only post the FINRA audit, when Management after learning what I assumed they knew in their titles and representations, immediately changed its policies and proceedings.

For the record, I never, ever, knowingly misappropriated funds, commingled funds or converted funds. If anything, I actually delayed payments to me in an effort to help Middlebury and/or the Companies strive. You can see this in Middlebury's original FINRA response, and if need be, mine.

I remind you that Mr Newman, his team and the SEC reviewed in excess of 100,000 emails, conducted over 30 witness interviews and ~ 8 OTR's post the fraud. They found no hard facts of validation of Newman's claims. In those emails and my 20 hours of interrogation by FINRA and the SEC I did not purge myself once. In all the above interviews and OTR's, including investor interviews combined, no one complained, no one accused me of anything. Even Mr. Robinson and his team in their original OTR and FINRA responses support these statements.

(Jim only changed his version of things in his "FINRA settlement". In actuality Jim et al reaffirmed the facts surrounding, the escrows, the uses of funds, other people's responsibilities and intentions and most relevant, my character in their OTR's and original Finra response.

In my eyes, Greg Rorke was a well educated, accomplished and proven professional. I'm embarrassed to admit, Greg became my hero. I was smitten and honored to be engaged by him and aspired to be him. (Brown, Harvard MBA, Columbia B –School Professor, Danskins and Kaplan CEO's and a triathlete...not to mention a great group of incredible friends and a wonderful sense of humor, etc.) However, I would and did not compromise my ethics at anytime. Unfortunately he also turned out to be a liar



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While working on "Navagate" at MIDDLEBURY I worked alongside its affiliates and registered representatives including but not limited to Chris Shaw, Max Levine, Joseph Zappulla, Jim Robinson, Craig Sherman and WMD 100%. Furthermore in James Robinson's first responses to FINRA (EXHIBIT A) even Jim Robinson states and argues these very same points in my favor versus his statements in his final FINRA settlement that the SEC used as information. I was never managing a Branch, nor a branch Manager. When we started our E Ridgewood Ave office on or about March 2010, Michael Teicher was the Branch manager. Jim Robinson then became the branch manager. Michael Teicher was a 24 on location spoke daily with Craig Sherman of Compliance and Donna Schultz another 24. Michael Teicher, Chris Shaw, Michael Andrews, Charley Krause, and others all set in the same room. I was monitored directly or indirectly very closely.

As a series seven rep with support and approval from everyone, I have and continue to be given an awful lot of credit for Middlebury's operations, compliance, management, escrows and documentation etc. It is assumed that me having my 1987 series seven that I knew the compliance rules and regulations of Seres 24's, counsel and compliance executives. This isn't the case. . With that said, I did not and never claimed to have such knowledge. I also was not knowingly involved with Rorke's transferring of assets or altering of documents.

As a matter of fact we learned of the HSBC not being his from outside when we went to collect the assets. This is also what prompted the SEC to show an email I sent to WMD stating "RORKE WILL NEVER AGREE TO THAT" that being his wife signing the documents. This is post the majority if not all the funding being so pelted and I believe it is when we were trying to find out why the escrow agent hadn't requested this before.

In Summary, I am neither that smart or Machiavellian in nature. I owned not ONE share of Navagate. I had the most important people in my life in the deal. I initiated the Law Suit against Rorke, I paid for all expenses. I relied on Counsel et all. If anything, I am simply too trusting and in hindsight counted too much on the Middlebury team's expertise and WMD. I

I assure you, I am the guy you would want in your bunker in a war, as I would risk my life for my clients and partners.

Regards, 

Gregory J. Osborn

RESPONSE TO ADMINISTRATIVE PROCEEDING STATEMENTS:

BOTH SEC & MIDDLEBURY

File Nos 3-16227 /3-16229 Admitted facts (The PG, taxes, and Our recklessness.)

1 The enclosed will demonstrate that the FINRA prosecutor needed a fall guy regarding the Middlebury and Navagate matters and he chose me versus looking at the true events and facts surrounding the Navagate Matter and other accusations. He dismissed the concept of the team and the teams efforts and intentions. I believe the SEC whom relied on FINRA's work, was influenced by FINRA's bias

FINRA BIAS:

Below are examples of others actions, responsibilities and mistakes that were overlooked and/or only identified with me. I provide Middlebury's own words from their original FINRA Response that argue many of my very points.

EXHIBIT #1. I provide as evidence in this to these claims the following, Middlebury's FIRM's RESPONSE "Corrected Copy." Associated with issues applicable to this discussion.

Bi and B ii specifically pages 1,2,3,4,5 regarding escrow accounts, operating role and supervision.

B iii Pages 6 & 7- Regarding complaints. - there were NONE.

B v - Pages 8 & 9- Regarding my current education, untrue. There were two snowstorms two appointments in a row where FINRA closed it's NNJ testing facility and extended any time requirements.

B vi & vii. Page 9- Restricted list and Bacterin sale. I requested approval before any sale and I only maintained accounts a one brokerage for which they were current.

B h Pages 15 & 16- Regarding Middlebury Managements failure to supervise regarding loans. In addition to these responses, I provide evidence I insured loans for Teicher, Robinson and Shaw at times, while not taking my own loan.

OSBORN REPAYMENT OF NAVAGATE INVESTORS and CONVERSION:

It has been stated by FINRA and the SEC that in fact Greg Osborn personally used funds to repay his hand selected clients. This is absolutely incorrect. It has also been stated these were GREG OSBORN's clients. In fact, Mike Teicher had a \$100,000 note from Mr. Daly that was never discussed and was a factor that Kevin Daly was a FIRM client, not a Greg Osborn client.

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See EXHIBIT #2 pages 2-1 thru 2-5 the Teicher loan from Daly. As a matter of fact, Kevin Daly introduced Teicher to our firm and when Mike Teicher defaulted on his loan to Kevin Daly, as per this email Daly asked me to assist with handling the issue. I believe this loan was not proper with Middlebury or possibly not on Mikes regulatory filings. I think the statements to Mr. Taggart and Mr. Daly display Mikes true mode of deception as he falsely states he used Kevin's loan to pay MR. Taggart. But Yet FINRA overlooked all this.

In further example of this, I ask you see EXHIBIT #2 page 2.2 -2.6. This was a questionnaire created by FINRA to speak with OSBORN customers only! It was received intimidating by investors and accusations like \$3.5 million in undisclosed taxes that were not accurate. He also positions things very biased.

NAVAGATE - OSBORN INVESTORS CLAIMS by Newman/Teicher

FINRA's notes regarding the opening Branch Interview with Mike Teicher.. EXHIBIT #2, pages 2-7 - 2-8. You will see email review is discussed. Mike Teicher is queried regarding time spent in Florida office. Mike absolutely misrepresents he splits his time there. Mike as the "24" visited Boca but two times a year at most, once again demonstrating his mode of operation and deceit. Shaw and team confirm Chris Shaw's role is "Due Diligence." (denied by FINRA, Chris and SEC post fact. Again all FINRA questions surround Greg Osborn - not others

FINRA's notes regarding the Mike Teicher Call/meeting. EXHIBIT #2, pages 2-9 - 2-12. It is titled "List of investors dissatisfied (Osborn's customers.)Mike reviews HIS interpretation of possible discussion with my clients that I believe are not accurate for the following reasons.

1. Tim Lane was a 15 year client. Post this, I brought him onto BoardWalk Frozen Treats advisory Board. He accepted roles in Castelmac and Middlebury in an advisory roles as well. In 2012, He brought me his Company True Drinks to be the banker. Tim has lent me money in the last year. Tim loaned Nuvel and Jim Robinson money. See EXHIBIT #4, 4-1
2. Maurice Werdegar. Maurice and I had worked on many projects successfully. He was also lending my other portfolio Company, bacterin \$15 million at the time. We had an amazing relationship and he referred his counsel in my next project.
3. HAWKSTONE GROUP. Mike Andrews the CEO is my dear friend and was part of Middlebury and sat next to Mike Teicher, Chris Shaw and I every day. This is a complete misrepresentation. Mike and I remain very close today and we each speak with MR Teicher only when HE needs something. - like every six months.
4. David Raisbeck and I have a long history. David helped fund the receivable that helped us get \$1 million back for investors. David also invested \$3 million with me in Fisker post. Mikes lawyer simply expressed his interpretation, not David's. FINRA later followed up with Raisbeck and he would not confirm negativity towards me.

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5. Murat Aktar. Murat lives in town with Chris, Mike Andrews and I. Murat met Greg at our Christmas party and liked him very much. We all contributed to Murat's investment as he visited our office. Yes he was angry at the situation and he was going through a divorce - but he was not mad at me. I consider him a friend and a firm account.
6. LAWSUIT. I initiated and paid for the first part of the law suit as Middlebury would not step up financially nor would Chris or Teicher contribute any cash. Teicher was at odds with me during this interview, so he was biased, protecting himself as well as misleading..
7. 7. RCi Limited. (Jonathan Segal) A dear friend, he also has lent me money post.
8. Adam, Ralph and Greg Baker. Teicher states they were handed off to me. This is a complete exaggeration. Adam hated speaking with me (I think he is the source of all this) and Teicher and Ralph. Ralph introduced ADAM to Teicher and Teicher and he spoke daily. Greg Baker was Chris Shaw's account. Chris being a due diligence person was uncomfortable managing the delays. That is when I held assisted Chris with Mr. Baker. Ralph has worked with me since.

File Nos 3-16227 /3-16229 Admitted facts: #8 Misrepresentations Regarding the Use of Proceeds of the NAVAGATE Notes. - CONVERSION 1.

EXHIBIT#1, page 21 in Middlebury's response to FINRA''s Corrected Response clearly demonstrates our position that this is not accurate. Furthermore, it has been stated that these were Greg Osborn's clients and they were "hand selected clients of Greg Osborn". This is absolutely NOT true. One of the four investors was Jim Robinson's client Mr. Andrew Wynn. Two others were the firms, one being Mr. Daly who was introduced to the firm by JIM ROBINSON. Mr. Daly also lent Mike Teicher \$100,000 prior to this and introduced Teicher to me, (EXHIBIT #2, pages 2.1 - 2.5.)and Mr. Daly was introduced to Middlebury through Jim and funded Jim's "bank" post fact as well as other opportunities. Mr. Lane was originally my contact, however he agreed to a Middlebury Advisory role EXHIBIT #6, page 6.10 joined Jim's Middlebury Business Development and lent Jim and Middlebury funds to meet FINRA equity requirements. (The same funds Jim claims are my income. Tim met with Greg Rorke and was going to be a Navagate Board member post funding. The fourth investor, client Curt Brockelman was predominantly my client and referred Middlebury a lot of business but worked with Jim and chris as well.

These FOUR investor notes matured and were the ONLY ones associated with the loan outstanding at the time. The Company, the BD and the Counsel all agreed paying these maturing notes was the most appropriate action. The Company had more then this amount of cash flow at the time, but it was easier to simply make sure everything happened appropriately. Yet again, Newman says "it's all Greg Osborn"- it's CONVERSION and its favoritism of Greg Osborn only.

There was NO conversion

*** Robinson also claims that Lanes repayment was MY income when Middlebury paid Everest Partners from the NAVAGATE fees.. Tim Lane had lent Jim/Middlebury money through his PERSONAL fund. Everest. I have nor ever nor do I have an interest in Everest.. Tim is a pro. He was the CFO of Pepsi, Pres Yum Brands intl etc etc.,

This entire conversion and select prepayment is an insult also so are Jims Claims as people, lie Alan Miller, Greg Rorke (Of all things) and Tim lane lent MIDDLEBURY/JIM funds on MY word... As Jim was constantly desperate for equity capital and/or needed to make payments. Unlike me, who mortgaged his home, sold stocks and liquidated his SEP/IRA on Jim's "word." Jim never borrowed from his wife's TRUST, sold assets or mortgaged his WIFES house or liquidated his SEP/IRA. I did 100%. By the way... Jim has NEVER paid back MR. Rorke the \$80,000 MIDDLEBURY borrowed ...

REPAYMENT NAVAGATE LOANS: These were APPROVED by Counsel. The notes had MATURED and the Company had adequate cash flow that quarter, however, The Company, Middlebury and Counsel directed and agreed it was best to simply fund the MATURING notes from Escrow to prevent any DEFAULTS.

Mr Cioffi: Mike states Mr. Cioffi was repaid. This is ironic, as when any prior repayment was made, Mr. Newman made wild accusations that 1. They were my clients, 2. That I hand picked you was paid. In Nuvel's case, he states only one person 'Daly" was repaid. Incorrect. NO SECURED NOTE HOLDER WAS REPAYED. He did a short term operational pre funding/unsecured loan and he was a co founding shareholder. This was NOT part of the offering. Yet Series 24 Mike Teicher isn't sighted for repaying his investor, when in actuality he received priority in this situation.

MIDDLEBURY EFFORT – NOT JUST GREG OSBORN. It has been suggested by FINRA, the SEC and then in Middlebury's Settlement that I acted alone at times.

EXHIBIT ONE in its entirety, in matters surrounding Middlebury and Navagate, clearly demonstrates I was NOT acting alone, but with the approval and cooperation of the Middlebury team. These are in Middlebury's own words.

ONE B. EXHIBIT #3 provides a look into the COMPLETE team effort as a firm and in our Middlebury Navagate effort. First and foremost, there were 31 investors. Fifteen of these were exclusively my relations. The rest were Greg Rorke's, Mike Teicher's, Chris Shaw's, Jim Robinson's or the firms. I highlight my clients on the left of the investor name on page 3-1 EXHIBIT #3.

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Page 3-2. Amongst other contributions, these email demonstrates Mike Teicher requests and receives Mr. Rorkes balance Sheet from Counsel. I too received this from Counsel as did all the firm did directly or indirectly. The SEC claims I, and only I reviewed this and other things and that it was insufficient. Again, this is NOT my area, I relied on the fact that these documents were from Counsel and sent to our Managing 24. As no one said anything I assumed they were accurate and dependable. In addition the firm accepted these as well. Yet, I am the only one mentioned by FINRA or the SEC regarding this matter. I know Shaw recieved these things as I paid him \$10,000 a month base to do so.

EXHIBIT #3, pages 3.3 - 3.8 again demonstrate the 'Firm Approach" WND's invoices highlight the activity with NAVAGATE documentation, escrow and investors by WND, Chris Shaw and Charley Krause

EXHIBIT #3 pages 3.9 & 3.10 demonstrate WND's issuance of a "Good Standing Certificate.'

EXHIBIT #3, pages 3.11 3.21 - 3.25 demonstrate the Zappulla's due diligence effort and valuation report. (Report available upon request.)

EXHIBIT #3, page 3.15 demonstrates Donna Schulzes continued maintenance of paperwork, interest and other miscellaneous responsibilities.

EXHIBIT #3, pages 3.16 - 3.19 clearly demonstrate the involvement of Counsel (WMD). Counsel introduced us to the deal, Counsel insisted we bank the deal, Counsel participated in many aspects of the due diligence aspect and lastly..... Counsel became NAVAGATE Counsel POST the fundraising. This continues to express their confidence in Greg Rorke, Navagate and the loan. Yet again, it is all Greg Osborn

EXHIBIT #3, page 3.20 again shows Mr Chris Shaw's responsibility to review the documents with Counsel and in this case a client. I was not very active in this regard.

EXHIBIT #3, pages 3.26 - 3.30. This is a Middlebury Report created from VERMONT. It was created on a Jim Robinson Template. I believe the work was done as a combination of input from Chris Shaw, Joe Zappulla and myself. I think it was produced by Max Levine and of Course Jim Robinson and Compliance needed to approve it. Yet, the prosecutors claim Greg Osborn did everything, accused no one else as does Middlebury in their FINRA agreement. (Again this is completely the opposite of their claim in the FINRA.



EXHIBIT #4, pages 4.1 - 4.9 ARE CRITICAL PAGES in both the FINRA SETTLEMENT and the direction of "blame" on me and that I operated alone. Pages 4.1 7 4.2 specifically describe Middlebury's Processes and Responsibilities. This is in early 2010. It is then updated by Robison's key assistants, Mr. Max Levine and Craig Sherman. AS you will note, Greg Osborn is responsible for one aspect – Compensation. Jim and team again take responsibility nd direction for Due Diligence, Deal Management, Deal Record keeping, (Specific to Vermont and Bacterin and NAVAGATE.) VERMONT, Jim, Craig nd Compliance were responsible for Compliance.

EXHIBIT #4, pages 4.6 & 4.7 is a NAVIGATE GANTT chart dated 9-14-09. It was written by Jim Robinson. It clearly demonstrates his involvement and leadership at the firm and with Navagate and in general. . It further suggests his active involvement and knowledge of the opportunity. (He attended multiple in person and telephonic meetings. It further demonstrates the involvement of the whole team, excluding Chris Shaw and Counsel who became very involved post. Yes I did due diligence. But it was checking with business partners. I spoke with HSBC's Asian managing partner. (bill something) Bill confirmed everything and as soon as Navagate was funded he was going to leave HSBC and join Navagate. The CTO of NY Life said and I Quote "This is a Co-Op. I have to our kids through college. I get laid to higher IBM. So I am taking a risk because I think the product is that good. Similar comments from Mutual of Omaha etc. I say in on numerous new Haines calls with President Wayne Kapla and Nvagates marketing team. It was as real as it gets...

EXHIBIT #4, Pages 4.8 & 4.9 demonstrate who provided the Due Diligence list requirements and managed the weekly meetings. Note Navagate again is mentioned.

EXHIBIT #4, Pages 4.10 - 4.15. Clearly reiterate WMD's active role, as well as continued efforts by Donna Schultz, Chris Shaw and Charley Krause.

In summary, the entire Middlebury team contributed to the Navagate effort including at times independently opening the escrow accounts, created and or reviewed the offering documents, writing the research report, doing certain due diligence, preparing the valuation report and collaborated their efforts with Counsel. Yet again, Newman let everyone else fly and it is suggested I acted as a lone wolf by the regulators and Middlebury in their "Changed settlement.". Ironically, as you can see, I couldn't write a research or valuation report or offering document, just look at this response?

FYI: Both Tim Lane and Charles Resnick, two Middlebury advisors met with Greg Rorke and were going to take Board seats post the Audit. . A large percentage of my investors met with Greg Rorke personally. Rich O'leary's brother went to Brown with him. Contact information available upon

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SEC FILE Nos 3-16227/3-16229 Administrative Proceeding "The admitted Facts.

2. I will reiterate the outstanding Navagate Tax's were as we understood them and to be and as they were disclosed.

NAVAGATE OUTSTANDING TAXES:

FINRA claims there were ~\$3.5 million dollars in undisclosed taxes. The SEC claims there were ~\$1.5 million. We described in the offering documents, not once, but twice including in the "use of proceeds" section directly above the signature page. (Offering Documents.)

The SEC has EXHIBIT #5, pages 5.1 & 5.2 the law firm issuing a "Good Standing Certificate" (Found no taxes.)

Page 5.3 is the IRS information available on 4-19-11. Ms Sun confirmed this in a call and it is consistent with our records.

EXHIBIT #5 Pages 5.6 7 & 5.7 are copies of the Bills paid for a private investigator who identified all of Greg Rorkes personal federal and state taxes were paid in FULL as of April 2010. The SEC has a copy of this report.

EXHIBIT #5 Is an email discussing the approximate discovery that there were additional taxes filed. Again, the 4-19-11 IRS report was the ONLY AVAILABLE report at that time to the public.

HISTORY for #2. Post WMD's original work, one of our first potential investors, Harborview discovered that there were Taxes outstanding. This prompted us to search further and when we engaged a private investigator and paired that up with the IRS information at the time to identify the \$1 million mark. This was the best we could do. I have never seen the factual evidence (available at that time) to prove the taxes were more than the \$974,000. Furthermore, even if they were, we demonstrated good faith in our identification of what we understood to be outstanding.



2. I will reiterate the Navagate Tax issue was as we understood it and it was disclosed.

RORKE PERSONAL GUARANTEE (PG)

This is the Crux of the Navagate matter. A few notes, as per the valuation on EXHIBIT #3, pages 3.21 - 3.25 Rorkes NavagateOwnership was valued at \$4 mill. His Teters ownership was valued per Audited numbers we received in excess of \$1 million, but he placed it at \$750,000 on the Financial statement. His home was worth \$1.3 million and a HSBC account was valued at around \$5 million plus cash. This is on his Personal Financial Statement.

It has been argued that we knew prior to 2011 that he had transferred the ownership of his home to his wife as per the "Private Investigator" report discussed in the prior EXHIBIT #5, pages 5.4 & 5.5. As per our discussions. Yes, we received the reports in 2010. However no one picked up on the Home transfer as it was a inconspicuous line below where he "Resided". The reason being, we did this in a desperate search to prove the Tax issues were addressed. - they were. It wasn't until later, Mid 2011, that we learned of this asset transfer. EXHIBIT #5, pages 5.6 and 5.7. It was the combination of this fact and the learning of additional taxes created in or around 2011, that we immediately resigned.

In my hearings with the SEC, they mentioned two issues surrounding emails. 1. "I guess we are getting a "Wells letter" and two, "Greg will never get this done," or " Greg will never agree to this." Although I wasn't functioning well at the time I regret not responding as follows. To one, yes I emailed this, we were in a room listening to FINRA's bogus accusations, which ment this wasn't ending anytime soon. And Two, I believe that was POST defaulting and Greg not co-operating with the Escrow agent in putting various assets in a trust.

Let it be know, I had never done a PERSONAL GUARANTEE before. Hence, I relied completely on Middlebury management and Counsel. We received the documents from Counsel, we had NO idea one was transferred and the other was altered. I/we had no reason to doubt Rorke or Counsel at the time. As I stated earlier. In a CYA email in which I replied to a post issue email from a defensive Counsel regarding that they weren't responsible for due diligence. - well, as in all these examples I think it is clear that wasn't the case or it was easily misunderstood. Yet prior, management didn't

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say anti thing and WMD, our Counsel became Navagate Counsel. That makes a street about thei comfort and excitement level.

My role, experience and know how was business due diligence. I interviewed key clients. It wasn't just Greg Rorke and/or these major clients. The President of Navagate, Wayne Kaplan was also a proven executive. He confirmed the Business to our entire team. See EXHIBIT #6, page 6. Wayne constantly affirmed the opportunities and reiterated in this email alone that a \$3 mill payable from HSBC was coming . Many documents regarding tax payments were also provided by Jack Langstein the CFO.' Yet FINRA never mentions their aiding and abetting. Just implies it was us.

Continuing down the path of trusting and depending on your partners and team. No one at the law firm, Middlebury or otherwise suggested additional diligence on the assets. Again, this wasn't my role, nor did I gather them, yet I am the "accused", I lost my license, I have had my reputation and perfect career destroyed and not one other person has been held accountable, other then Middleburys' compliance penalties.

I will also add this, as only being a series seven rep, never being an escrow agent, legal Counsel or having a compliance background this was not my expertise. Even if assets were co-owned with his wife, I would honestly think they are at worst case split 50/50. In example, I see the SEC requiring everything on my wife regarding our assets. The bottom line, I did not write the offering docs. I did not write the PPM, I did not gather the asset documents. I followed Counsel and Middlebury leads. Jim Robinson et all approved and reviewed every document. With all this being the case, I never gave a second thought that this was an issue originally and passionately believed in the Personal Guarantee and Navagate.

RESPONSE to:

**MEMORANDUM OF LAW OF RESPONDENT
MIDDLEBURY SECURITIES LLC
IN OPPOSITION TO
THE DIVISION OF ENFORCEMENTS MOTION
FOR SUMMARY DISPOSITION**

3 I will demonstrate that I did NOT net a predominant amount of the funds as Mr. Robinson suggests IN HIS MEMORANDUM and that in fact I funded the expenses and the Middlebury team.

Robinson claims Mr. Osborn and others gained on the Navagate Transaction. I remind Jim as demonstrated EXHIBIT #8. Pages 8.1 -8.18. This is absolutely NOT correct.

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In another monster demonstrative example of my "trusting" nature, Jim and I entered into an agreement that I would earn 50% of the firm and my expenses would be paid back over time as the firm became profitable. We had started the "accounting" just before the AUDITS started. EXHIBIT #8 Pages 8.22 - 8.24 During the years from ~ March 2009 - Through May 2011 we had no Ridgewood Checking account. Hence all funds were sent thru my Citibank account. From it I paid salaries and bonuses associated with deals, background reports, CSC, industry services, legal, FED EX deliveries, COPYS, - I paid for the COPIER, the Consultants, Air, Hotel and car for employees. I paid for the, phones, rent,, furniture expenses, insurance and some Middlebury Vermont Expenses. Including their NY Office Rent and Max Levine's Educational classes etc.

In 2009 I sold my stock holdings and borrowed on my HELO as expenses exceeded income. 2010, I again used HELO funds and liquidated my SEP/IRA Exhibit #8, page 8.2. \$57,900.

Specific to the 2010-2011 Navagate offering, one needs to look at 6/2009 thru 6/2011 as these were the expenses including employees that provided the firms operations and Navagate Expenses.

2009 ~\$106,000 ~30% Navagate Efforts **\$31,800**

2010 ~ \$372,000 ~20% Navagate efforts **\$74,400**

2011 ~ 219,000 ~15% Navagate Efforts **\$32,850**

Total \$772,000 To Middlebury efforts **\$139,050**

There was more in 2012

NAVAGATE SPECIFIC: \$189,050

% of above for Navagate \$139,050 (In 2009 and 2010, it was higher %)

Beau Dietl and Assoc \$11,500

Add WMD NAVAGATE Legal \$38,500 (Lets low ball is 50% for Middlebury of ~\$77,000 (paid) EXHIBIT #9, page 9.1

\$189,050. Again, this does NOT include the fact that I poured it and more (almost \$900,000) into Middlebury for expenses and operations in this time period on behalf of Middlebury, its affiliates, employees and/or reps. See EXHIBIT #8, pages 8.1 - 8.18. Page 8.18 represents where I broke and drew the line and Jim acknowledges I can't take anymore risk. This is when some costs began to come out of Middlebury Vermont vs. Me. However, I continue to pay bills.



4 I am for all intents and purposes bankrupt and my career is destroyed as a result of Middlebury's failure to fulfill its Compliance, Management and Supervision responsibilities and a Rogue FINRA prosecutor.

As per my financial filing being finalized to the SEC, I currently have a NEGATIVE net worth of **\$1,499,111 dollars. See EXHIBIT #10 page 10.1 - 10.3.** Due to the limitations of the "Bad Actor" and the additional SEC limitations, I have been unable to get a reasonable job. The FINRA language has caused the discontinuation of my credit cards (**2014 - see EXHIBIT #10 Page 10.7**). it was cancelled for "Reputational Risk!" I had a job, then the additional SEC language caused me to lose that and any opportunities in the Fund business. The FINRA language and additional penalties along with the perverse FINRA language prevent virtually anyone from hiring me.

I owe the IRS \$780,000 as I needed that to fund my legal issues here and my life with very little income as a result I have been labeled **Currently Non Collectible by the IRS EXHIBIT 15 Pages 15.10 - 15.15**

I have defaulted on my mortgage and we are in pre foreclosure EXHIBIT #15 page 15.9 . You will see I have accumulating healthcare bills. I had to purchase a Nissan on outrageous rates and have other bills (EXHIBIT #15) on prior cars etc. I haven't enough money to see my therapist. I cannot get my tooth fixed.

This is all the result of Middlebury's failed management, compliance and direction of my activities while at Middlebury. Add the fact that I contributed \$800,000 plus in expenses previously discussed. **EXHIBIT #8 outlines these expenses. I was asked to provide Jim, Middlebury and its reps funds. I funded ½ of Jim's legal costs for his IRA \$20,000). EXHIBIT #9 Page 9.7.** I put \$300,000 in Nuvel alongside all my investors. (it was all known by my clients and why they invested!) I then funded Nuvel an additional \$160,000 in 2012 to keep it operating. I brought in the CEO, identified a successful merger and new investors to save the company - ALL FOR FREE. Unfortunately I had to resign from my Board seat there as well due to the bad actor rule..

I also co founded Boardwalk Frozen Treats (Baskin Robbins Groceries from Dunkin Donuts) in 2012 with the former EVP of Strategy of Kraft Foods) I lost this Board seat as a result and was forced to sell my holdings the last two years to stay alive at **and at an 80% discount of the expected value in 2-3 years. See www.BOARDWALK FROZENTREATS.COM The sale document can be seen in EXHIBIT #15, page 15.18**

I spent over **\$240,000 in legal fees** defending myself due to Robinson's mismanagement and his lawsuit against me.. Jim got wind of my intention to sue him and Middlebury. He quickly sued me. As this is FINRA, I was unable to sue him for the above until the latter was settled. I

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couldn't afford to pay my FINRA suit and Middlebury suit at that time, so I elected the FINRA suit.

Jim used this as leverage to keep my **share of the \$7,500 monthly Rymed** Consulting retainer and other funds I had earned prior to leaving. His suit was completely bogus and inconsistent with his OTR. He kept my money and used it against me to fund some of his legal so he wouldn't need as much from his wife's family trust fund. Which poses the question... Why do I need to produce my personal net worth details and 5 years of tax returns, checking accounts etc and he not? I have nothing, he lives in a paid for home!

Jim also requested that in our Fisker closing in 2011 that I pay approximately \$45k of Middlebury's accumulated legal bills with the Fisker money. - I politely acquiesced. What a sap.

In this EXHIBIT #9, pages 9.4 - 9.8 and EXHIBIT #8 pages 8.18 - 8.26 that demonstrate a few of the many request from Jim and Craig Sherman his finop manager asking me for money etc. The pressure was immense. In my accounting request of 2011 Craig Sherman was preparing the Osborn/Middlebury expense records for future repayment and going to provide the Middlebury Audited numbers. Unfortunately as the FINRA/SEC audits began we never finished them as per EXHIBIT #8, pages 8.16 - 8.27n the 2012 catch up emails from Craig. So I have know what Jim made or if he was paid outside the firm. EXHIBIT #9 Page 9.7 I illustrate the "Freeride is over"

Newman concocted a accusation that I stole money. This is a complete and utter creation. No one ever said a penny was missing anywhere. All the audits showed I paid in more then I ever took out and worse yet, New**man cost me months of time and tens of thousands** on this fictitious charge of theft. All managements wrote letters on my behalf confirming this was bogus, yet he publicly declared I stole money and used it for my personal AMEX. EXHIBIT #9 pages 16 & 17 illustrate only part of this and I did a phenomenal and passionate job for them.

FINRA was frustrated I didn't steal mis use any funds nor did I take any gifts or stock. Regardless, FINRA made me produce every \$1,000 deposit and expense for a 4 year window. EXHIBIT #(pages 9.9 - 9-12 is only an example of the months and long tens of thousands in expense. Newman could never demonstrate why he did this and he had the audacity to consistently say, either, "I know he is a bad man." Or 'its harder to prove a negative" this man is EVIL..

Also EXHIBIT #13, pages 13.2 -13. 4 and EXHIBIT #9 page 9.7, you will see "Willi's \$100,000 mentioned a few times. Jims client, 8888 defaulted on a trade. It costs us a lot of aggravation and prevented Jim from paying back Lane on time and Rorke. I do not recall the \$100,000 ever showing up or being disclosed. Yet OSBORN is the "bad guy" and no one else.

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Robinson's (note these are changed words from his OTR and FINRA response) states in the FINRA SETTLEMENT that I converted funds. I will simply say this is not true. Please see the prior and his FINRA response. I provide EXHIBIT #16 which are examples of all the parties that directed, opened and approved escrow accounts. There were 30 to 40 Escrow releases completed at least during period Newman questions,. Yet, he only elects to make accusations on the nine that I signed. Again, I never opened a bank account, I never wrote a release and I never signed a release with out the escrow and the Company. See Robinsons original FINRA responses. All conversion accusations are 100% manipulated by FINRA and choreographed in the Newman MIDDLEBURY settlement to harm me. Specific to the \$125,000 one, EXHIBIT 9-18 clearly states a \$10,000 a month payment. It also had expenses from the Bacterin offering and it was argued in FINRA Responses, all managements took my side and the documents prepared by Counsel.

5 I will share how my mental and physical health has been originally harmed by FINRA's false accusations, settlement statements, harassment and the continuum and redundancy of the SEC charges have worsened my Sarcoidosis and well being .

EXHIBIT #11 is self explanatory. I include letters from my therapist Dr. Martindale and one of my pulmonary Critical Care Expert Dr. Choi. I have Sarcoidosis. It is similar to lupus. The bullying, fear and harassment created by Mr. Newman's actions caused great anxiety within me. (NOT BECAUSE I DID ANYTHING WRONG) but because he continually harassed me and was clearly out to get ME. The OTR's demonstrate he spent 30 -50% or more on questions to others about me versus issues with the firm. He sent 132 accusations to us, most about me, most of them exaggerated, misguided or fabricated. My medical records will demonstrate the many visits to the doctor and hospital for anxiety/heart attacks due to his torture and abuse. He harmed me.

Newman had one goal. Shut us down, bankrupt us and find someone to take down. During this my dad was in home hospice and died of cancer from sarcoidosis March 28,2013 and father in law was in home hospice and died July 2013. I was the main caretaker as I live less than a mile from each.

My sarcoid after being dormant since 1995 became active in 2011. Masses in my lungs doubled, (see Dr. Choi Note), I was telling him I was ill, he didn't care. I was telling him my dad and father in law were dying, he didn't care. The stress was mounting. In November of 2011 I was fainting, shaking, almost having accidents, going to the hospital, falling down. My sarcoid had reached my brain. EXHIBIT #11, pages 11.1 - 11.3 It was horrific. I was having headaches etc. I am now only on one medication for this right now, although I haven't been able to afford a check up in 18 months.

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Outcome. We were able to reduce the mass on my front Loeb, however my lungs are not curable. I became depressed, suicidal and I am on the fringe of possibly being Bipolar as caused by the stress due to the intense harassment and bullying by Middlebury and Newman.

Middlebury's mismanagement, collaboration with FINRA and Jim's lawsuit and self serving actions were of enormous expense and loss of income and a future. I still don't know what I will do for my family and the truth is they are financially better off with me dead as I have always prioritized the life insurance

See DR Martindale's letter. THIS IS COMING I was unable to get it from him by 5:00 pm today. I can't wait any longer and need to get this out to you all. I will send Tuesday.

I truly don't know if I will ever recover and I am on three serious medications and quite damaged.

6 I will show that Middlebury's Management team and the FINRA prosecutor collaborated to position me as the fall guy in exchange for each other's benefit, whilst intentionally harming me by altering the language in the settlement statements. This negatively influenced the SEC's perspective of me from the GetGo.

Simply comparing ALL of Middlebury's employees, management and representatives original FINRA OTR's (available upon request) and Middlebury's Corrected Copy FINRA Response EXHIBIT #1 to the statements in all the previously received ALJ and SEC Middlebury and Robinson Responses, Statements, Declaration and communications as represented herein and as spoken in the FINRA AWC or "Middlebury Settlement" demonstrate the **complete reversal** of sworn OTR testimonies and KEY Previous FINRA responses to that of the language prescribed by rogue FINRA prosecutor Mike Newman and then agreed to by Middlebury and management is clearly a collaboration of efforts to ingratiate Newman's career, bonuses and/or reputation and minimize Middlebury damages, including preserving Middlebury the institution, various management licenses, fines and penalties in exchange for victimizing and harming Osborn financially, mentally, reputationally and destroying his career.

The pressure of the hearing increased. Yet, there was no evidence that there was one investor complaints or of the serious accusations he made. Previously Robinsons and my attorneys were collaborating on our FINRA negotiations, only to be surprised by a sudden, non cohesive and unexplainable (at the time) "Settlement". Which set the final stage for Newman to deliver the his final pre hearing blow to Osborn. Just as my dad Died, Newman informed us our hearing would go from 2 weeks in April to additional weeks in September.



My attorneys then wanted \$300,000 immediately Pre Trial and then \$200k post and then an additional \$200 - 300k come September, totaling another 700,000 dollars.

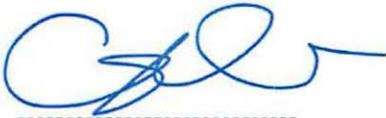
Game over for me. Mr. Newman had won by dealing me the most contrived, vindictive damaging, I'll accusations that intended, emotional, physical, mental and financial harm. Yet I had never even met the guy other than my OTR .It is an embarrassment to the system and my children almost lost their dad because of it. It is these and other statements that I am confident influenced the SEC's perspective and led them to hunt me specifically versus looking at the Middlebury teams collective efforts.

I would like to point out that Newman's team OTR interviews and efforts were focused 33% to 50% or more on my actions and not the facts. As a matter of fact, multiple parties told me Newman left the their OTR abruptly and angry that he could not identify anything negative on me or my character. This further supports the evidence that many if not all of Mr. Newmans twists

It is these events coupled all coupled together as to why I folded my tent and settled with Newman, and the SEC.

I wish it wasn't true, but my wife has now become depressed. Very simply our lives have been shattered due to Middlebury's lack of proper controls Newman's unethical, selfish persona and lack of process and oversight, which left me DOA when meeting the SEC

Thank you for spending the time to hear my side of the story and considering them in your considerations of my future.



GREGORY J. OSBORN
RIDGEWOOD NJ 07450

September 2, 2016

I do ask for you to please consider changing some of the language and penalties and help give me a second chance. Reducing the complete bar (For optics and removal of bad actor) and the other limiting restrictions added. I could at least regain some self respect back and try to salvage my life and family.

September 2, 2016

United States of America
Before the
Securities & Exchange Commission

1. Administrative proceeding File no. 3-16228

To get started right away, just tap any placeholder text (such as this) and start typing.

In the matter of

NAVAGATE INC. AND

GREGORY RORKE

Respondents.

Administrative proceeding

FILE NOS. 3-16227/3-16229

In the Matter of

MIDDLEBURY SECURITIES L.L.C.

And GREGORY OSBORN

Respondent.

OUTLINE OF EXHIBITS DISCUSSED IN OSBORN DECLARATION

Gregory J. Osborn

Ridgewood, New Jersey

EXHIBIT #1

Middlebury's Corrected Copy Response to FINRA regarding the accusations. Included within and pertinent to the NAVAGATE Matter include;

1. Escrow Responses
2. Rorke and Navagate Matters
3. Teams responsibilities
4. Conversion and misuse of funds explanation
5. Prepayment of Certain Navagate Investors
6. Overall tone opposes FINRA Settlement

EXHIBIT #2

Navagate relevant emails and FINRA notes specific to Navagate

1. Midd Series 24 and rep Mike Teicher's relations to key Navagate Investors
2. FINRA's Navagate Q&A using biased questions that represent pre confirmed facts or misleading statements
3. FINRA's Branch Interview with Mike Teicher (Post Rorke discoveries and Failures) Irony, Say I wasn't managed, yet interview the series 24 whom set with me within 30 feet daily.
4. Mikes unconfirmed inaccurate recall and verbal responses of discussions with Osborn Investors.

EXHIBIT #3

Emails and documents demonstrating Middlebury and Counsel team effort and work.

1. List of Navagate investors only ½ were Osborn specific investors. Fees paid on others
2. Navagate Cash flow for "loan repayment argument"
3. WMD (Law Firm) and Teicher receiving and accepting summary Balance Sheet. (My email doesn't enable me to locate direct firm employee emails) - I am blamed for approving and accepting – no one else recalls and no one else is questioned.....
4. WMD Bills demonstrating Rep Shaw's work and involvement in the period of document review and due diligence
5. WMD (Introducing firm, our Counsel and then Navagate Counsel issuing "Good Standing Certificate." - only issue - \$50 Delaware tax bill.
6. Counsel and Navagate CFO due diligence Q&A
7. Series 24 Donna Schulze accepting and reviewing PG
8. Post issues discovery examples
9. Grannus Financial VALUATION REPORT (Grannus is Midd Rep Joe Zappulla
10. Shaw receiving for review the Navagate offering Document from Counsel
11. Middlebury Navagate Report. I don't know if 24 Jim Robinson or Rep Levine wrote this.
12. **FINRA YIELDS ZERO CREDIT TO ANY OF THIS**

EXHIBIT #4

Documents and email validation from 2009 demonstrating responsibilities of Vermont office and its employees and the team in general.

1. MidSec Development materials emailed from Robinson to all.
2. Navagate Gantt Chart from 2009 made by Robinson includes many members. Escrow accounts, PVT placement ownership, etc. Shaw and WMD took on many additional roles as demonstrated prior. (Teicher joined post this chart, but pre deal)
3. Post Navagate continued validation of "direction"
4. Legal team continued participation (Which we all relied on)

EXHIBIT #5

Tax Lien Exhibits. I also in Dietl investigation report that SEC has.

1. IRS public records 4/19/11
2. Dietl report
3. Approximate discovery timeline emails
4. CFO email of ebts.

EXHIBIT #6

Some Rorke PG records. (Again, I have limited ability to get the other facts.

1. PG
2. WMD involvement
3. HSBC payment (I kept alive w Receivable sale, got back \$2 million a majority went to investors.
4. NO fees and we absorbed legal!
5. Emails validating Additional proof of tax liability – regarding our knowledge.
6. Emails from other management for credibility
7. Emails showing first investors notes maturing wanted to be paid.
8. A HSBC receivable
9. Incoming CFO resume
10. Incoming Asian Sales Resume.

EXHIBIT #7

MIDDLEBURY ADVISORS. We were putting together a Advisory Board just prior to the Audits.

EXHIBIT #8

Osborn expenses and Payments on behalf of Middlebury.

1. 2009 – 2012 Cash Expense summaries totalling \$800,000 (
2. Emails demonstrating FIN OP Sherman and Osborn beginning to organize them to position as purchase price for part of firm and payback as a small percentage of future profits.
3. Emails showing monthly payments to Middsec reps who continued on with Robinson post my departure.
4. Me rallying the team and drawing the line on my "money out of pocket"
5. Loans to Jim and employees
6. Examples of continued requests for funds from Middlebury for operations.
7. Me funding Jim's MIDDLEBURY BUSINESS DEVELOPMENT EXEC Jerry Bratkovich.
8. Middlebury failing to make promised operational payments for Ridgewood

EXHIBIT #9

Random Expense Navagate Exhibits, FINRA Osborn work and NVL (Nuvel) Ownership

1. Legal bills associated w Navagate Offering – assumed Income - \$75,453.50. Cioffi Opinion \$5,000
2. Robinson's client Willi \$100,000 delayed or missed Fisker investment.
3. CSC bills, PSEG phones.
4. Example of financial review by FINRA only that SEC wants to replicate (OSBORN ONLY)
5. NAVAGATE ownership What I GAVE to all employees of Middsec. Yet Finra never assess accusations on anyone else that they had ownership – ONLY OSBORN
6. Payments I made (\$207,000) in 2012 to keep NVL alive. Merger completed last month- saved the Company, brought in CEO and merger partner. - no FEES
7. Letters from Managements verifying NO funds were ever missing and PPA showing NO conversion that these fees and eepnses were in CONTRACT Only FINRA makes such bogus Statements
8. Example of income held back by Robinson post me leaving.

EXHIBIT #10

Statement of Financial Condition – Gregory Osborn (-\$1,499,2830)

EXHIBIT #11

Medical letters and emails.

1. Letter from Dr. Choy – Critical Care Physician
2. Emails during 2011 demonstrating illness as FINRA harassed me due to Middlebury failures.
3. DR Martindale (Therapist letter) coming.

EXHIBIT #12

Recommendation from former workers and managements.

1. Eric Brachfeld – Securities Manager and former 20 year partner.
2. Jordan Stanley, Former Fortune 500 EVP, CEO Freeride media- client
3. Jay Elliot Former Apple EVP w Steve Jobs, Founder Nuvel Inc. (he also credits me in his book) Former client.
4. Glenn Rink – CEO of Nuvel, President of WaterKeepers Foundation (RFK Jr.) - Client / Friend

EXHIBIT #13

LOANS to employees, Character of Robinson example.

1. Loans a client did to 24's Robinson, and Teicher and Rep Shaw. I secured them with my assets. Yet FINRA only charges me I don't get it.
2. Further WILLI \$100,000 missing this inspired Rorke \$80k and Lane \$50k loans to Middsec at Robinsons pleading.
3. Team Middsec not honoring payments to Chinese group on help with Fisker. (surprised FINRA didn't charge me.)

EXHIBIT #14

Personal loan example and asset sales to put food on the table and pay insurance premiums last two years.

EXHIBIT #15

Accumulated debts.

1. Mortgage default accumulations
2. IRS "Currently Non Collectable" letter.
3. Accumulated medical bills
4. Prior defaulted medical insurance bills
5. Sale of key asset, Boardwalk Frozen treats.
6. Sale of Legacy education.
7. Old car liability.

EXHIBIT #16

Random Wire emails, directions and instructions

PERSONAL GUARANTY

INDIVIDUAL GUARANTY

Dated as of March 25, 2011

To: The Purchasers Identified on the Signature Pages of the Subscription Agreement Referred to Below

WHEREAS, the Guarantor (defined below) originally executed a personal guaranty in favor of the Purchasers (defined below) in the amount of \$2,000,000 in December 2009, and

WHEREAS, the Company has accepted subscriptions in excess of \$2,000,000 in connection with the Bridge Offering (defined below); and

WHEREAS, the Guarantor has agreed to provide this additional personal guaranty in favor of Purchasers in the amount of \$1,250,000 such that his aggregate guaranty of the Notes issued in the Bridge Offering will be \$3,250,000.

NOW THEREFORE: In consideration of the terms and conditions contained in this Guaranty, and other good and consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned, intending to be legally bound, agrees as follows:

1. The Guaranty. For valuable consideration, the undersigned (the "Guarantor") hereby unconditionally guarantees and promises to pay promptly to the purchasers identified on the signature pages to the Subscription Agreement, executed in connection with the Bridge Offering (the "Subscription Agreement"), among Navagate, Inc., a Delaware corporation (the "Borrower") and each such purchaser (each, including its successors and assigns, a "Purchaser" and collectively, the "Purchasers"), in lawful money of the United States, any and all Indebtedness (as defined below) of Borrower to each Purchaser when due, whether at stated maturity, upon acceleration or otherwise, and at all times thereafter. The liability of the Guarantor is continuing and relates to any Indebtedness, including that arising under successive transactions which shall either continue the Indebtedness or from time to time renew it after it has been satisfied. All payments made by Guarantor to or for the account of any Purchaser hereunder shall be made by wire transfer of immediately available funds to the account set forth on Schedule 1 to this Guaranty, or in such other manner as Purchasers shall hereafter advise Guarantor.

2. Definitions.

"Borrower" shall mean the entity named in Paragraph 1 of this Guaranty.

"Bridge Offering" Borrower's 12% Convertible Note financing, in an aggregate principal amount of up to \$3,250,000, scheduled to close on March 31, 2011.

"Guarantor" shall mean the individual signing this Guaranty.

“Guaranty” shall mean this Individual Guaranty.

“Indebtedness” shall mean the collective reference to all obligations and undertakings of the Borrower of whatever nature, monetary or otherwise, under the Notes, the Subscription Agreement, the Security Agreements, the Warrants or any other Transaction Document, together with all reasonable attorneys’ fees, disbursements and all other costs and expenses of collection incurred by the Purchasers in enforcing any of such obligations or this Guaranty.

“Pledged Assets” shall mean the Guarantor’s personal assets including, without limitation, those set forth on the financial statement attached hereto as **Exhibit A**.

Capitalized terms used in this Guaranty without definition have the meanings ascribed to them in the Subscription Agreement or the Transaction Documents (as defined in the Subscription Agreement).

3. **Obligations Independent.** The obligations hereunder are independent of the obligations of Borrower or any other guarantor, and a separate action or actions may be brought and prosecuted against Guarantor whether action is brought against Borrower or any other guarantor or whether Borrower or any other guarantor be joined in any such action or actions.

4. **Rights of Purchasers.** The Guarantor authorizes Purchasers, without notice or demand and without affecting its liability hereunder, from time to time to:

(a) subject to the terms of the Transaction Documents, renew, compromise, extend, accelerate, or otherwise change the time for payment, or otherwise change the terms, of the Indebtedness or any part thereof, including increase or decrease of the rate of interest thereon, or otherwise change the terms of any Transaction Document;

(b) subject to the terms of the Transaction Documents, receive and hold security for the payment of this Guaranty or any Indebtedness and exchange, enforce, waive, release, fail to perfect, sell, or otherwise dispose of any such security;

(c) subject to the terms of the Security Agreements, apply such security and direct the order or manner of sale thereof as Purchasers in their discretion may determine; and

(d) release or substitute the Guarantor or any one or more of any endorsers or other guarantors of any of the Indebtedness.

All actions, notices, requests or demands that Purchasers or any Purchaser may take or make pursuant to the provisions of this Guaranty, shall be taken or made by and through Collateral Agent (as defined in the Transaction Documents).

5. **Guaranty to be Absolute.** Guarantor agrees that until all the Indebtedness has been indefeasibly paid in full and any commitments of any Purchaser or facilities provided by any Purchaser with respect to the Indebtedness have been terminated, Guarantor shall not be released by or because of the taking, or failure to take, any action that might in any manner or to

any extent vary the risks of Guarantor under this Guaranty or that, but for this paragraph, might discharge or otherwise reduce, limit, or modify Guarantor's obligations under this Guaranty. Guarantor waives and surrenders any defense to any liability under this Guaranty based upon any such action, including but not limited to any action of Purchasers described in the immediately preceding paragraph of this Guaranty. It is the express intent of Guarantor that Guarantor's obligations under this Guaranty are and shall be absolute and unconditional.

6. Guarantor's Waivers of Certain Rights and Certain Defenses. Guarantor waives:

(a) any right to require Purchasers to proceed against Borrower, proceed against or exhaust any security for the Indebtedness, or pursue any other remedy in Purchaser's power whatsoever;

(b) any defense arising by reason of any disability or other defense of Borrower, or the cessation from any cause whatsoever of the liability of Borrower; and

(c) any defense based on any claim that Guarantor's obligations exceed or are more burdensome than those of Borrower.

No provision or waiver in this Guaranty shall be construed as limiting the generality of any other waiver contained in this Guaranty.

7. Subordination of Subrogation. Until all the Indebtedness has been indefeasibly paid in full and any commitments to any Purchaser or facilities provided by any Purchaser with respect to the Indebtedness have been terminated, even though the Indebtedness may be in excess of Guarantor's liability hereunder, Guarantor agrees to subordinate to the rights of the Purchasers any right of subrogation, reimbursement, indemnification, and contribution (contractual, statutory, or otherwise) including, without limitation, any claim or right of subrogation under the Bankruptcy Code (Title 11, United States Code) or any successor statute, arising from the existence or performance of this Guaranty, and until such time, Guarantor agrees to subordinate to the rights of the Purchasers any right to enforce any remedy that any Purchaser now has or may hereafter have against Borrower, and agrees to subordinate to the rights of the Purchasers any benefit of, and any right to participate in, any security now or hereafter held by any Purchaser. Such subordination of subrogation rights shall end at such time as all Indebtedness has been indefeasibly paid in full.

8. Waiver of Notices. Except as otherwise provided herein, Guarantor waives all presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, notices of intent to accelerate, notices of acceleration, notices of any suit or any other action against Borrower or any other person, any other notices to any party liable on any Transaction Document (including Guarantor), notices of acceptance of this Guaranty, notices of the existence, creation, or incurring of new or additional Indebtedness to which this Guaranty applies or any other Indebtedness of Borrower to any Purchaser, and notices of any fact that might increase Guarantor's risk.

9. Subordination. Any obligations of Borrower to Guarantor, now or hereafter existing, including but not limited to any obligations to Guarantor as subrogee of the Purchasers or resulting from Guarantor's performance under this Guaranty, are hereby subordinated to the

Indebtedness. Guarantor agrees that, if Purchasers so request, Guarantor shall not demand, take, or receive from Borrower, by setoff or in any other manner, payment of any other obligations of Borrower to Guarantor until all the Indebtedness has been indefeasibly paid in full and any commitments of any Purchaser or facilities provided by any Purchaser with respect to the Indebtedness have been terminated. If any payments are received by Guarantor in violation of such waiver or agreement, such payments shall be received by Guarantor as trustee for Purchasers and shall be paid over to Purchasers on account of the Indebtedness, but without reducing or affecting in any manner the liability of Guarantor under the other provisions of this Guaranty. Any security interest, lien, or other encumbrance that Guarantor may now or hereafter have on any property of Borrower is hereby subordinated to any security interest, lien, or other encumbrance that Purchasers may have on any such property.

10. Revocation of Guaranty.

(a) This Guaranty may be revoked at any time by Guarantor in respect to future transactions, unless there is a continuing consideration as to such transactions that Guarantor does not renounce. Such revocation shall be effective upon actual receipt by Purchasers, at the address shown below or at such other address as may have been provided to Guarantor by Purchasers, of written notice of revocation. Revocation shall not affect any of Guarantor's obligations or Purchaser's rights with respect to transactions committed or entered into prior to Purchaser's receipt of such notice, regardless of whether or not the Indebtedness related to such transactions, before or after revocation, has been incurred, renewed, compromised, extended, accelerated, or otherwise changed as to any of its terms, including time for payment or increase or decrease of the rate of interest thereon, and regardless of any other act or omission of Purchasers authorized hereunder.

(b) In the event of the death of Guarantor, the liability of the estate of the deceased Guarantor shall continue in full force and effect the Indebtedness existing at the date of death, and any renewals or extensions thereof.

(c) Guarantor acknowledges and agrees that this Guaranty may be revoked only in accordance with the foregoing provisions of this paragraph and shall not be revoked simply as a result of any change in name, location, or composition or structure of Borrower, the dissolution of Borrower, or the termination, increase, decrease, or other change of any personnel or owners of Borrower.

11. Reinstatement of Guaranty. If this Guaranty is revoked, returned, or canceled, and subsequently any payment or transfer of any interest in property by Borrower to any Purchaser is rescinded or must be returned by any Purchaser to Borrower, this Guaranty shall be reinstated with respect to any such payment or transfer, regardless of any such prior revocation, return, or cancellation.

12. Stay of Acceleration. In the event that acceleration of the time for payment of any of the Indebtedness is stayed upon the insolvency, bankruptcy, or reorganization of Borrower or otherwise, all such Indebtedness guaranteed by Guarantor shall nonetheless be payable by Guarantor immediately if requested by Purchasers.

13. Information Relating to Borrower. Guarantor acknowledges and agrees that it shall have the sole responsibility for, and has adequate means of, obtaining from Borrower such information concerning Borrower's financial condition or business operations as Guarantor may require, and that Purchasers have no duty, and Guarantor is not relying on Purchasers, at any time to disclose to Guarantor any information relating to the business operations or financial condition of Borrower.

14. Borrower's Authorization. It is not necessary for Purchasers to inquire into the powers of Borrower or of the officers, directors or agents acting or purporting to act on its behalf, and any Indebtedness made or created in reliance upon the professed exercise of such powers shall be guaranteed hereunder.

15. Negative Covenants; Additional Agreements. (a) The Guarantor covenants and agrees that, without the prior written consent of the Collateral Agent (as agent for the Purchasers), the Guarantor will, not (i) sell, assign or transfer any of the Guarantor's rights in or to the Pledged Assets, or (ii) create any other security interest in, mortgage or otherwise encumber the Pledged Assets, or any part thereof, or permit the same to be or become subject to any lien, attachment, execution, sequestration, other legal or equitable process or any encumbrance of any kind or character, except the security interests herein created.

(b) Guarantor hereby covenants that following an Event of Default (as defined in the Secured Convertible Promissory Note), Guarantor shall promptly obtain a mortgage on Guarantor's primary residence located in Bronxville, NY (the "Residence") in the event that the Pledged Assets (other than the Residence) are not sufficient to satisfy all outstanding Indebtedness. In addition, Guarantor agrees to deliver, or cause to be delivered, such additional instruments, agreements, certificates and documents as Collateral Agent may reasonably request to grant, perfect, maintain, protect and evidence security interests in favor of Purchasers in the Pledged Assets (including the Residence). Guarantor shall fully cooperate and perform all additional acts reasonably requested by Collateral Agent to effect the purpose of this Section 15.

16. Remedies. If Guarantor fails to fulfill its duty to pay all Indebtedness guaranteed hereunder, Purchasers shall have all of the remedies of a creditor under all applicable law. Without limiting the foregoing, Purchasers may, at their option and without notice or demand:

(a) declare any Indebtedness due and payable at once;

(b) take possession of any collateral pledged by Borrower pursuant to the Security Agreements, wherever located, and sell, resell, assign, transfer, and deliver all or any part of the collateral in accordance with the provisions of the Transaction Documents; and

(c) set off against any or all liabilities of Guarantor all money owed by any Purchaser or any of its agents or affiliates in any capacity to Guarantor, whether or not due, and also set off against all other liabilities of Guarantor to any Purchaser all money owed by such Purchaser in any capacity to Guarantor. If exercised by any Purchaser, such Purchaser shall be deemed to have exercised such right of setoff and to have made a charge against any such money immediately upon the occurrence of such default although made or entered on the books subsequent thereto.

17. **Representations and Warranties.** Guarantor represents and warrants to the Purchasers that: (a) Guarantor has full power and capacity to execute and deliver this Guaranty and each other Transaction Document to which he is a party and to incur and perform the obligations and undertakings provided herein and therein; (b) no consent or approval of any Governmental Authority or any third party is or will be required as a condition to the enforceability of this Guaranty and each other Transaction Document to which he is a party; (c) this Guaranty and each other Transaction Document to which he is a party has been duly executed and delivered by the Guarantor and is enforceable against the Guarantor in accordance with the terms hereof and thereof; (d) there is no litigation or proceeding involving the Guarantor pending or, to the knowledge of the Guarantor, threatened before any court, tribunal or governmental authority, which may in any way materially adversely affect the financial condition or property of the Guarantor, except as previously disclosed to Purchasers; (e) there is no law, rule, regulation or order pertaining to the Guarantor and no provision of any agreement, mortgage or contract binding on the Guarantor or affecting his property, which could conflict with, be breached by, be in default or in any way prevent, the execution, delivery or carrying out of the terms of this Guaranty and each other Transaction Document to which he is a party; and (f) Guarantor has a substantial financial interest in the Borrower and is receiving immediate, substantial and direct benefit from the transactions contemplated by the Transaction Documents.

18. **Notices.** All notices required under this Guaranty shall be personally delivered or sent by first class mail, postage prepaid, or by overnight courier, to the addresses on the signature page of this Guaranty, or sent by facsimile to the fax numbers listed on the signature page, or to such other addresses as Purchasers and Guarantor may specify from time to time in writing. Notices sent by (a) first class mail shall be deemed delivered on the earlier of actual receipt or on the fourth business day after deposit in the U.S. mail, postage prepaid, (b) overnight courier shall be deemed delivered on the next business day, and (c) telecopy shall be deemed delivered when transmitted.

19. **Entire Agreement.** This Guaranty, together with the other Transaction Documents and the exhibits and schedules thereto, contain the entire understanding of the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules. This Guaranty does not supersede, replace, amend or modify any prior guaranty given by the Guarantor to the Purchasers.

20. **Amendments; Waivers.** No provision of this Guaranty may be waived or amended except in a written instrument signed, in the case of an amendment, by the Guarantor and each Purchaser or, in the case of a waiver, by the party against whom enforcement of any such waiver is sought. No waiver of any default with respect to any provision, condition or requirement of this Guaranty shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of Purchasers to exercise any right hereunder in any manner impair the exercise of any such right.

21. **Headings.** The headings herein are for convenience only, do not constitute a part of this Guaranty and shall not be deemed to limit or affect any of the provisions hereof. The

language used in this Guaranty will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party.

22. Successors and Assigns. This Guaranty shall be binding upon Guarantor and his heirs, representatives, estate and permitted assigns and shall inure to the benefit of the Purchasers and their respective successors and permitted assigns. The Guarantor may not assign this Guaranty or any rights or obligations hereunder without the prior written consent of each Purchaser. Any Purchaser may assign any or all of its rights under this Guaranty to any Person to whom such Purchaser assigns or transfers the Note, Warrant or securities underlying either of Note or the Warrant (the "Securities"), provided such transferee agrees in writing to be bound, with respect to the transferred Securities, by the provisions of the Purchase Agreements that apply to the "Purchasers".

23. Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Guaranty shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof that would defer to the substantive laws of another jurisdiction. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Guaranty and any other Transaction Documents (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the City of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, borough of Manhattan for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of this Guaranty), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is improper or inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Guaranty and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. The parties hereby waive all rights to a trial by jury. If either party shall commence an action or proceeding to enforce any provisions of this Guaranty, then the prevailing party in such action or proceeding shall be reimbursed by the other party for its attorneys' fees and other costs and expenses incurred with the investigation, preparation and prosecution of such action or proceeding.

24. Execution. In the event that Guarantor's signature is delivered by facsimile transmission, such signature shall create a valid and binding obligation of the Guarantor with the same force and effect as if such facsimile signature page were an original thereof.

25. Severability. If any provision of this Guaranty is held to be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Guaranty shall not in any way be affected or impaired thereby and the parties

will attempt to agree upon a valid and enforceable provision that is a reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Guaranty.

26. Construction. The parties agree that each of them and/or their respective counsel has reviewed and had an opportunity to revise this Guaranty and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Guaranty or any amendments hereto.

27. Additional Guaranty. This Guaranty is intended to provide additional security for the Purchasers in the Bridge Offering and is in addition to the Guarantor's original Guaranty of \$2,000,000 (the "Original Guaranty"). The Original Guaranty remains in full force and effect and, as a result, the aggregate amount of the personal guaranty provided by Guarantor to the Purchaser's in the Bridge Offering is \$3,250,000.

IN WITNESS WHEREOF, the Guarantor has duly executed this Guaranty as of the date first indicated above.

Guarantor: Greg Rorke

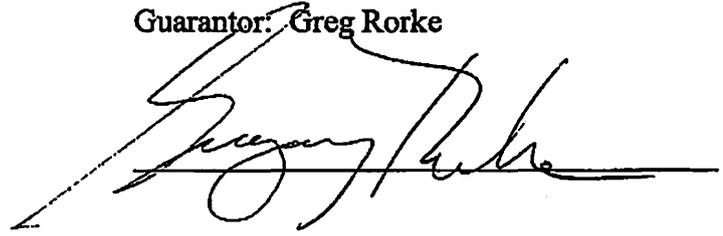
A handwritten signature in black ink, appearing to read "Greg Rorke", written over a horizontal line. The signature is stylized and cursive.

Exhibit A

Personal Financial Statement

Form CR 107 (Revised May 1977)
 Request Form Submitted By
 FEDERAL RESERVE BANK OF NEW YORK

FINANCIAL STATEMENT
 As of _____ 19__

PERSONAL

NAME: GREG RORKE RESIDENCE: 130 W 42nd St 11th Fl
 OCCUPATION OR PROFESSION: _____ BUSINESS ADDRESS: NY, NY 10036

I make the following statement of all my assets and liabilities at the close of business on the date indicated above to

(Name and Location of Person Institution)
 and give other material information for the purpose of obtaining advances on notes and bills bearing my signature, endorsement, or guaranty, and for obtaining credit generally upon present and future applications.

ASSETS		LIABILITIES and NET WORTH	
Cash on Hand	\$ 200,000	Notes Payable to Banks - Unsecured	0
Cash in Banks	800,000	Direct borrowings only (Sch. No. 1)	0
Notes Receivable		Notes Payable to Banks - Secured	0
Accounts Receivable		Direct borrowings only (Sch. No. 1)	0
Loans Receivable		Notes Payable to Others - Unsecured	0
Life Insurance - Cash Surrender Value		Notes Payable to Others - Secured	0
(Do not deduct loans)		Accounts Payable	0
Securities - Readily Marketable	5,000,000	Loans against Life Insurance	0
U.S. Govt. & Fed. on Stock Exchanges (Sch. No. 4)		Real Estate Mortgages Payable	0
Securities - Not Readily Marketable		(Sch. No. 2)	0
Unlisted stocks & bonds (Sch. No. 4)	1,000,000	Real Estate Taxes & Assessments Payable	0
Mortgages Owned		(Sch. No. 2)	0
Real Estate	1,400,000	Federal & State Income Taxes	0
Automobile(s)		Other Taxes	0
Equity in car pool		Interest Payable	0
Other Assets		On loans, mortgages, etc.	0
		Brokers Margin Accounts	0
		(Sch. No. 2)	0
		Other Liabilities	0
		(financial)	0
TOTAL ASSETS	\$12,000,000	Net Worth	12,000,000
		TOTAL LIABILITIES & NET WORTH	12,000,000

SUPPLEMENTARY SCHEDULES

NOTE: The following data should be furnished as of the same date as this Financial Statement. Fill in all spaces; insert "NONE" where appropriate.

No. 1 - Banking Relations - List all bank accounts, including savings accounts

Name and Location of Bank	Cash Balance	Amount of Loan	Indicate How Loan is Secured, Guaranteed or Fianced
HSBC NEW YORK	\$800,000		

No. 2 - Notes, Accounts and Loans Receivable - List the largest amounts owed to you:

Name and Address of Debtor	Amount of Debt	Age of Debt	Nature of Debt	If Secured, Describe Security	Date Payment Expected

No. 3 - Life Insurance - List all policies in which you are named as the insured:

Insurer	Insurance Company	Type of Policy	Year Acquired	Total Cash Surrender Value	Total Loans Against Policy	If Assigned, Indicate To Whom
WIFE				\$2,000,000	0	

No. 4 - Securities - List all stocks, bonds, etc.:

Face Value (Shares) No. of Shares (Bonds)	Description of Security	Registered Owners	Cost	Market Value	Book Value	If Pledged, Indicate To Whom
1000	TREAS			\$750,000		
1000	KYRMA-ADLE			250,000		
1000	NANABATE			4,000,000		
1000	US FRUST			5,000,000		

(Continued on Reverse Side)

SUPPLEMENTARY SCHEDULES--(Continued)

No. 5 - Mortgages Owed

Location and Description of Mortgaged Property	Assessed Value	Market Value	Amount of Outstanding Mortgage	Mortgage Interest Due & Unpaid	In State of Payment of Former Mortgage	Amount of Prior Mortgage
	\$	\$	\$	\$		\$

Mortgage income—During the 12 month period ended 19____, I received interest payments of \$_____ and principal payments of \$_____ on the above described mortgages.

No. 6 - Real Estate

Location and Description of Real Property	Cost with Improvements	Assessed Value	Market Value	Book Value	Annual Gross Rental Income	Annual Net Rental Income (Before Depreciation)
HOME / RESIDENCE	\$	\$	114,000.00		\$	\$

Title to Real Estate—The title to all of the above described properties is in my name solely, except as follows (give details):

No. 7 - Real Estate Mortgages Payable— List all mortgages on the above properties, follow the same sequence:

First Mortgages		Second Mortgages		Mortgage Payment Due Within One Year	Mortgage Interest Due & Unpaid	Taxes and Assessments Due & Unpaid
Amount	Maturity	Amount	Maturity			
\$		\$		\$	\$	\$

No. 8 - Brokers Margin Accounts— List the names and addresses of the brokers and indicate the net amount due to each:

SUPPLEMENTARY INFORMATION

Personal Data— No. of Dependents: 0

Income and Expense— Albany, child support, or separate maintenance income need not be revealed if you do not wish to have it considered as a basis for repaying this obligation. My gross income from all sources during the 12 month period ended 19____, amounted to \$_____. My personal living expenses and those of my dependents during that period amounted to \$_____, and I had other expenses for income taxes, insurance premiums, interest on debts, etc., of \$_____. I expect no important changes in my income or expenses during the current year or next year, except as follows (give details):

Contingent Liabilities— As of the date of this financial statement, I had no contingent liabilities, except as follows: Notes Receivable Discounted or Sold \$_____; Accounts Receivable Assigned or Sold \$_____; Co-maker \$_____; Accommodation Endorsement, Guarantor or Surety \$_____; Mortgage Bonds \$_____; Claims for Taxes \$_____; Other (describe):

Pledged, Assigned or Hypothecated Assets— Describe all assets not noted elsewhere in this statement as having been pledged, assigned or hypothecated and indicate the liabilities which they secure:

As of the date of this financial statement, I had not pledged, assigned, hypothecated or transferred the title to any of my assets, except as noted on this form or on a supporting schedule, nor has any such action been taken since that date, except as follows (give details):

Legal Actions— No lawsuits, claims, judgments, or other legal actions are outstanding or pending against me and, to the best of my knowledge, no legal actions are to be started against me, except as follows (give details):

Insurance Coverage— Fire Insurance: Buildings \$_____; Automobile(s), Household Effects, etc. \$_____; Indicate if policies have extended coverage endorsement: _____; Liability Insurance: Automobile \$_____; Personal \$_____; General Public \$_____; Other Insurance (describe):

Date of latest independent analysis of insurance: _____; Indicate adequacy of coverage:

Certification— This is to certify that all the statements contained herein and in any supporting schedules are true and give a correct showing of my financial condition as of the date indicated. I further certify that I had no liabilities, direct or contingent, business or accommodation, except as set forth in this statement, and that the title to all assets therein set forth is in my name solely, except as may be otherwise noted. IN THE EVENT OF ANY MATERIAL ADVERSE CHANGE IN MY FINANCIAL CONDITION, I AGREE TO NOTIFY THE FINANCIAL INSTITUTION NAMED HEREIN IMMEDIATELY IN WRITING.

Signed this 20th day of April, 2010

NOTE: If space is insufficient, separate schedules, which should be clearly identified as being part of this statement, may be attached hereto. Such schedules should be dated and signed in the same manner as this statement.

Schedule 1

(Wire Instructions for Payment to be provided to Placement Agent)

EXHIBIT #1

Middlebury's Corrected Copy Response to FINRA regarding the accusations.

Included within and pertinent to the NAVAGATE Matter include;

1. Escrow Responses
2. Rorke and Navagate Matters
3. Teams responsibilities
4. Conversion and misuse of funds explanation
5. Prepayment of Certain Navagate Investors
6. Overall tone opposes FINRA Settlement

Exemption No. 1

The Firm was not in compliance with NASD Rule 3010(a) [Supervision].

Detail:

A review regarding compliance with regulations pertaining to the Firm establishing and maintaining a system to supervise the activities of each registered representative, registered principal and other associated persons reasonably designed to achieve compliance with applicable securities laws and regulations revealed that the Firm's supervisory system was not effective as follows:

a. The Firm failed to establish an adequate supervisory system with respect to the monitoring of the Firm's escrow account established for the receipt of customer funds in conjunction with its private offerings transactions. A review of the Firm's policies and procedures revealed the Firm did not have procedures or controls in place to monitor the receipt and disbursements of customer funds and did not obtain copies of the escrow account statements for review. This resulted in the Firm's failure to detect that customer funds for various offerings, and other non-Middlebury customers, had been commingled.

i. The Staff's review determined that the Firm utilized Citibank Escrow Account #95757611 for multiple offerings since December 2009 through, at least, March 2012. The Staff determined that funds for the following offerings were commingled in the escrow account:

- Bacterin International Holdings, Inc.;
- Navagate;
- Nuvel Holdings Inc.;
- Voiceserve Inc.; and,
- Castlemac Holdings

ii. Additionally, the Firm utilized Hudson Valley Bank Escrow Account #2400309301 for multiple offerings since April 2011 through, at least, April 2012. Staff determined that funds from the following offerings were commingled in the Hudson Valley Bank escrow account:

- Middlebury Ventures II;
- Middlebury Ventures III;
- Voiceserve Inc.;
- AbTech Holdings Inc.;
- Rymed Technologies; and,
- Nuvel Holdings Inc.

Firm's Response:

This Exception incorrectly assumes that the Firm had control over the escrow bank accounts identified above.

 The Firm cannot be in violation of NASD Rule 3010(a) insofar as these escrow accounts are concerned for the simple reason that the Firm does not maintain and has not maintained any escrow accounts. The two accounts identified in Exception I(a) of the Examination Report are not the Firm's accounts. Each of those accounts was established by the law firm McMillan, Constabile, Maker & Perone LLP ("MCMPLLP"). MCMPLLP established those escrow accounts in its own name as escrow agent, and it alone is the owner of each of those accounts. MCMPLLP acted primarily on behalf of the various issuers involved, not the Firm. Note, for example, that all expenses incurred by MCMPLLP in connection with the various escrow agreements were to be paid solely by the issuers, and never by the Firm. Copies of the escrow agreements governing those escrow accounts are annexed hereto as Exhibit A.

A careful reading of the escrow agreements compels the conclusion that the Firm never had possession, custody or control of the escrow accounts or the funds contained therein. The Firm had no power to manage the funds in the escrow accounts, to control the disposition of those funds, or to disburse those funds. For a completed transaction, those funds could only be released to the issuer or as the issuer directed upon the issuer's certification (concurrent to by the Firm) that the conditions of escrow had been met. The Firm's power was principally a veto; its consent was needed for funds to be released, and this consent was used as a cross-check to ensure that the funds were not disbursed to the issuers prematurely, and that the Firm was paid its placement fees as and when the funds were disbursed.

Each of the escrow agreements also provided that in the event funds were not disbursed by a date certain—that is, in the event a transaction did not close—such funds would be returned to the Firm as agent for the investors. It would only be upon the return of funds to the Firm as such agent for the investors that the Firm could be held responsible for the disposition of those funds. The Staff has not determined that the Firm engaged in any irregularities in connection with the return of funds from escrow accounts to investors upon incomplete transactions.

As to the accounts themselves, both are attorney escrow accounts subject to the jurisdiction of the courts of the State of New York, whose rules protecting the integrity of client funds are more stringent than FINRA's. Finally, as to the charge that the investors' funds were

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“commingled,” the mere fact that they were all in one bank account does not make them “commingled” so long as MCMPLLP internally accounted for the funds of each client in the account. Moreover, the Staff should be advised that under New York law, misuse of funds in attorney escrow accounts can lead to the attorney’s disbarment, and any client losses are protected up to \$100,000 by The New York Lawyers’ Fund for Client Protection. In having investors’ funds placed in the care of licensed attorneys, the Firm and the issuers acted, in all regards, with the highest care and concern for the protection of the investors, and those investors’ funds were better protected inside attorney escrow accounts than they could have been had the funds been in the Firm’s own possession, custody or control. In any event, however, the management of those escrow accounts was the responsibility of MCMPLLP and overseen by the New York Courts, and not of the Firm overseen by FINRA.

Accordingly, the Staff’s Exception 1(a) should be withdrawn. The Firm believes that no corrective action is warranted.

- b. The Firm failed to supervise the activities of Registered Representative Gregory Osborn, specifically:
 - i. The Firm failed to monitor Mr. Osborn’s access to and activities related to the escrow account, including how the funds in the escrow account were utilized by Mr. Osborn. The Firm allowed Mr. Osborn to control and direct the release of funds from the escrow account without any supervision.

Firm’s Response:

As a general matter regarding this sub-exception b, we assume that the Staff is using “failed to supervise” as a shorthand referencing the more precise requirement of NASD Rule 3010, and means to say by that phrase “not establishing and maintaining a system to supervise Mr. Osborn reasonably designed to achieve compliance with applicable laws, regulations and rules,” in accordance with NASD Rule 3010. Neither the violation of laws, regulations and rules by any registered representative, nor the Firm’s failure to detect any such violations, is proof that the Firm was not in compliance with NASD Rule 3010, since even the best supervisory systems can be circumvented.

Also, it is important to note that Mr. Osborn is no longer registered with the Firm, having resigned on June 25, 2012. In response to the activities/conduct of Mr. Osborn cited by the Staff

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in its Report of the Exit Meeting conducted on June 21, 2012, the Firm commenced an internal review, which is still ongoing. To the extent that the Firm's supervisory systems were specifically circumvented by Mr. Osborn's actions, then Mr. Osborn's departure is the ultimate assurance against any recurrence.

With respect to sub-sub-exception (i) specifically, the Firm does have written supervisory procedures and supervisory controls reasonably designed to ensure that access to and actions related to the escrow accounts are only permitted for properly qualified designated principals of the Firm. However, those procedures and controls obviously do not apply to escrow accounts that the Firm neither owns nor controls.

As explained above, and as shown by the escrow agreements attached as Exhibit A, Mr. Osborn did not "control and direct the release of funds" from any escrow account, supervised or not. The only person who could control and direct the release of escrow funds was MCMPLLP as escrow agent under the agreements. The escrow agent was required to release funds as directed by the issuer upon receiving authorization from the issuer and the consent of the Firm. Mr. Osborn was authorized by the Firm to provide the Firm's consent to the escrow agent to release funds to or at the direction of the issuer, but he did not have the power on his own to "control and direct the release of funds." The Firm believes he was appropriately supervised in that activity. *

Accordingly, for substantially the same reasons as stated in the Firm's Response to sub-exception 1(a), sub-sub-exception 1(b)(i) should be withdrawn. The Firm does not believe any corrective action is warranted.

ii. The Firm allowed Mr. Osborn to perform in a principal capacity in that Mr. Osborn was signing off on the release of funds from the escrow account, represented himself a Co-Founder and Managing Partner of the Firm and was actively involved in managing the sales efforts and structuring of the private placement deals the Firm was involved in. Staff notes that Mr. Osborn was not registered in a principal capacity.

Firm's Response:

The Firm does not agree that it "allowed" Mr. Osborn to perform "in a principal capacity."

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First, Mr. Osborn was not in the class of persons that NASD Rule 1021(a) requires to be registered as a "principal." Under NASD Rule 1021(b), the only persons who must register as a "principal" are sole proprietors, officers, partners, managers of an OSJ or corporate directors of a member. Whatever Mr. Osborn may have been doing, he was not a sole proprietor, officer, partner, manager of an OSJ or a corporate director of the Firm, and therefore he did not need to be registered as a principal. The Firm is 100% owned by James Robinson. Mr. Osborn had no ownership of, nor any organizational office in, the Firm. He was not a manager of any OSJ of the Firm. He was not even an employee of the Firm. His status was that of an independent contractor and registered representative of the Firm. NASD Rule 1021(b) did not require him to be registered as a "principal."

Second, NASD Rule 1021 does not prohibit a non-principal registered representative from engaging in any specific conduct, with the possible exception of managing an OSJ. Mr. Osborn did not manage an OSJ of the Firm. He himself was supervised, first by Michael Teicher and then directly by James Robinson. Thus, no Rule forbade Mr. Osborn calling himself a "co-founder" or "managing partner," signing documents—including escrow release documents—on behalf of the Firm, or managing sales efforts or structuring private placement deals on behalf of the Firm, just because he was not a "principal" of the Firm.

Third, Mr. Osborn was not being untruthful in his self-descriptions. He was a co-founder of Middlebury Capital, a broker-dealer predecessor to Middlebury Securities LLC, and he was permitted to hold himself out as a "partner," not in a legal sense (since the Firm as a limited liability company has no partners) but in the sense that he was the Firm's representative in conducting certain investment banking business.

Fourth, as explained above in the Firm's Response to sub-exception 1(a), Mr. Osborn was not "signing off on the release of funds from the escrow account," as those funds were in the exclusive possession, custody and control of MCMPLLP, the sole escrow agent.

Finally, inasmuch as Mr. Osborn is no longer affiliated with the Firm, all issues relating to his specific past conduct are moot to the extent they do not expose a systemic deficiency in the Firm's supervisory systems. The Firm does not believe any deficiency in the Firm's supervisory systems has been brought to light by reason of this sub-sub-exception.

Accordingly, this sub-sub-exception (b)(ii) should be withdrawn. The Firm does not believe any corrective action is warranted.

iii. The Firm failed to adequately review Mr. Osborn's email correspondence. As a result the Firm failed to detect customer complaints, his loan arrangements with numerous customers (Alan Miller, Kevin Daly, David Raisbeck, Melanie Dacus and Timothy Lane) and his guarantee against loss made to at least one customer (Leon Frenkle).

Firm's Response:

This sub-sub-exception (b)(iii) appears to be premised on an assertion that the Firm's failure to detect the enumerated items concerning Mr. Osborn "proves" that the Firm did not "develop written procedures that are appropriate to its business, size, structure, and customers for the review of incoming and outgoing written (i.e., non-electronic) and electronic correspondence with the public relating to its investment banking or securities business," in violation of NASD Rule 3010(d). That is a false premise. Even had Mr. Osborn on specific occasions violated the Firm's policies or the securities laws, regulations or rules it would not prove that the Firm's supervisory systems did not comply with NASD Rule 3010(d).

During the time when Mr. Osborn was registered with the Firm, James Robinson, as the Firm's Chief Compliance Officer, interacted and communicated with Mr. Osborn very frequently, virtually daily, during which these types of issues were discussed. Mr. Osborn's email correspondence was reviewed and this sub-sub-exception does not specify any way in which such review was deficient.

Rather, this sub-sub-exception jumps to the conclusion that the review of correspondence and email must have been deficient because the Firm did not detect what the Staff has alleged were unspecified customer complaints, certain loans transactions, and one alleged instance of a guarantee against loss. As stated above, the mere existence of irregularities does not prove the absence of an appropriate review procedure.

First, there were no "customer" complaints, and certainly no complaints against any activity of the Firm. The Firm's Chief Compliance Officer, James Robinson, carefully noted and considered the emails in question. The initial emails were merely expressions of frustration with the challenges being faced by the companies in which the writers had invested, not customer complaints directed at Mr. Osborn or the Firm. Subsequent communications from the customers involved clearly confirmed that their emails were not intended to be interpreted as customer complaints. See Exhibit B annexed hereto. The Chief Compliance Officer will continue to review possible customer complaints and, if warranted, will follow up directly with the

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customer(s) involved, to determine if the situation gives rise to the need to report it to FINRA, in which case the Firm will do so timely.

Second, all the loan transactions were known to the Firm and approved, and the Firm does not believe those transactions to have been improper.

Third, Mr. Osborn apparently made that guarantee in his capacity as a member of the board of the issuer in question and not as a representative of the Firm.

Finally, inasmuch as Mr. Osborn is no longer affiliated with the Firm, all issues relating to his specific past conduct are moot to the extent they do not expose a deficiency in the Firm's supervisory systems. The Firm does not believe any deficiency in the Firm's supervisory systems has been brought to light by reason of this sub-sub-exception.

Therefore, the Firm does not believe any corrective action is required. Nonetheless, in response to the Exceptions noted by the Staff, the Firm has taken the following actions:

1. The Firm has intensified and augmented its email review process.
2. Lending between prospective investors and the Firm's associated persons is now discouraged. Such loans must be pre-approved in writing by a Principal of the Firm. Generally, only loans from persons who have a long-standing multi-dimensional relationship with the borrower will be approved.
3. All loans will be subject to the requirements of and documented in compliance with FINRA Rule 3240.
4. The Firm's written pre-approval will be preserved for at least three years after the date that the borrowing or lending arrangement has terminated, or for at least three years after the registered person's association with the Firm has terminated.

iv. The Firm failed to evidence review of account documentation of Mr. Osborn's customers.

Firm's Response:

The Firm maintains an appropriate supervisory system for reviewing account documentation for all of its customers, and there is no evidence that any customer's account documentation was not in fact properly reviewed. To the extent that *evidence* of review is

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lacking with respect to some customer account documentation, the Firm acknowledges an issue to be addressed. Thus, the Firm is taking the following corrective actions:

1. Ms. Donna Schulze, who was hired by the Firm in January 2011, is working with other associated persons of the Firm to enhance the account documentation review process. Ms. Schulze has been in the securities industry for more than 20 years. She has the Series 7, 63, and 24, and is registered with Middlebury Securities LLC as an Operations Professional (Series 99).

2. The Firm will institute measures to better memorialize the review process, which involves maintaining electronic copies of the documentation.

3. The Firm has also undertaken to review historical account documentation in an effort reasonably designed to ensure that it is in proper order and to ensure that, in the present and in the future, the appropriate documents are fully executed and approved prior to the registered representative being paid applicable commissions.

v. The Firm permitted Mr. Osborn to continue to act in a registered capacity during the time frame his registration was inactive for failing to complete the Regulatory Element of the Continuing Education requirements.

Firm's Response:

This sub-sub-exception (b)(v) appears to be premised on an assertion that Mr. Osborn's acting in a registered capacity when his registration was inactive "proves" that the Firm did not have an adequate supervisory system to prevent such an occurrence. That is a false premise. Even had Mr. Osborn in this instance violated the Firm's policies or the securities laws, regulations or rules, it would not prove that the Firm's supervisory systems did not comply with NASD Rule 3010(d).

As to this specific sub-sub-exception, the Firm did not "permit" Mr. Osborn to act in a registered capacity. Mr. Osborn was well aware that he should not act in a registered capacity while his Regulatory Element of the Continuing Education requirements had not been satisfied. Indeed, Mr. Osborn was notified in writing that he was not authorized to act in a registered capacity.

The Firm believes it does have an appropriate supervisory system reasonably designed to ensure that all its registered personnel comply with the continuing education requirements, and

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not act in a registered capacity unless they are in compliance, and that no corrective actions are necessary. Nevertheless, in response to this sub-sub-exception, the Firm will institute additional measures to further prevent a registered representative from performing any duties and functioning in any capacity requiring registration if his or her registration becomes inactive.

Such measures will include:

1. Suspending the registered representative's email account and mobile phone to the extent it is controlled by the Firm, and
2. Directing his/her customers to contact someone else in the Firm (with instructions as to how to do so).

Finally, the Firm reiterates that inasmuch as Mr. Osborn is no longer affiliated with the Firm, all issues relating to his specific past conduct are moot to the extent they do not expose a systemic deficiency in the Firm's supervisory systems. Moreover, to the extent that this sub-sub-exception is based on any actions or conduct of Mr. Osborn which may have caused the Firm's supervisory systems to have been circumvented, his departure assures there will be no recurrence.

- vi. The Firm permitted Mr. Osborn to affect [sic] trades against its Restricted List (Bacterin).
- vii. The Firm failed to conduct reviews of all outside brokerage accounts Gregory Osborn maintained financial interests in.

Firm's Response:

These sub-sub-exceptions (b)(vi) and (vii) appear to be premised on an assertion that Mr. Osborn's having executed trades without proper approval or having maintained accounts that the Firm did not review "proves" that the Firm did not have an adequate supervisory system to prevent such occurrences. That is a false premise. Even had Mr. Osborn on specific occasions violated the Firm's policies or the securities laws, regulations or rules, it would not prove that the Firm's supervisory systems did not comply with NASD Rule 3010(d).

The Firm in fact does have and has had an appropriate supervisory system, set forth in its Supervisory Procedures Manual, reasonably designed to ensure, in accordance with FINRA Rule 3050, that its associated persons and registered representatives provide written notification to and receive prior written permission from Middlebury Securities LLC in connection with opening an

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mutual fund family or variable product sponsor), obtain prior written permission from a designated Principal of the Firm, and arrange for the contemporaneous receipt by the designated Principal of duplicate confirmations, statements and/or other information related to all transactions in such outside brokerage accounts. To the extent that the Zappullas effected trades in securities that were on the Firm's Restricted List, and did not advise the Firm of the existence of an account containing such shares, the Firm cannot be found to have "permitted" the Zappullas to have effected trades in, or "failed" to have reviewed statements of, such accounts. Clearly, the Firm cannot have "permitted" the Zappullas to have effected trades in, or "failed" to have reviewed statements of, accounts of which the Firm had no record.

Second, it should be noted that when the trades were made, Sino Clean Energy Inc.'s placement on the Firm's Restricted List was erroneous, for the Firm had ceased doing work with Sino Clean Energy Inc. months earlier. Notwithstanding that Sino Clean Energy Inc. had not been removed from the Restricted List, all registered representatives, including the Zappullas, knew that the Firm had no non-material information about that company. Thus, the Firm's error was, if anything, in not removing Sino Clean Energy Inc. from the Restricted List, not in "permitting" the Zappullas trading in it while it was ostensibly so listed.

Accordingly, the Firm believes that these sub-sub-exceptions (i) and (iii) should be withdrawn. Nevertheless, in order to reinforce and augment its supervisory system in this regard, the Firm has or will:

1. In addition to the disclosures made by its registered representatives in the Annual Compliance Questionnaire, obtain telephonic or in-person oral confirmation from each registered representative of all outside brokerage accounts (with the exception of accounts maintained directly with a mutual fund family or variable product sponsor), through interviews of each registered representative, on an annual basis, with regard to their personal trading accounts.
2. Distribute the Restricted List firm-wide in its own email and keep a spreadsheet to track any trades in those securities.

With respect to sub-sub-exception (ii), the Firm was aware of the involvement of the Zappullas with Grannus Financial Advisors, Inc. ("Grannus"), and of Grannus' engagement to provide investor relations services for AbTech Holdings, Inc., Bacterin Inc., and Voiceserve Inc. The facts surrounding those relationships were disclosed to counsel overseeing the preparation of the offering documents for the issuers involved, and counsel advised that the disclosures made

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were adequate. Additionally, all of the investors who were approached knew about Grannus' investor relations business and viewed it as a positive for the companies involved, and none were under any misimpression concerning the Zappallas' involvement.

Accordingly, the Firm believes that this sub-sub-exception should be withdrawn, and that no corrective action is necessary.

g. The Firm failed to demonstrate firm wide distribution of its Restricted List during the review period of May 16, 2011 through April 2, 2012.

Firm's Response:

The Firm acknowledges this lapse, but not that the supervisory system was thereby deficient. As corrective action, the Firm has or will:

1. Distribute its Restricted List firm-wide through its own email,
2. Keep a spreadsheet to track any trades in those securities, and
3. Retain a record of such emails and spreadsheet.

h. The Firm failed to effectively supervise the activities of registered representatives Gregory Osborn, Christopher Shaw and Michael Teicher in that these individuals had borrowed money from customers. These arrangements did not meet the requirements detailed under FINRA Rule 3240(a) [Conditions of Permissible Lending Arrangements] and subsection (b) [Notification and Approval].

Firm's Response:

The Firm in fact does have and has had an appropriate supervisory system, set forth in its Supervisory Procedures Manual, reasonably designed to ensure, in accordance with FINRA Rule 3010, that its associated persons and registered representatives do not engage in lending relationships with customers except in accordance with FINRA Rule 3240. The existence of these lending arrangements does not impugn the appropriateness of those supervisory systems.

The Firm was aware of these lending arrangements. However, the Firm did not believe, and does not believe now, that these were loans with "customers," and therefore did not believe that these loans were subject to its policies or to FINRA Rule 3240. The individual lender in each case was a prospective investor in one or another of the companies for which the Firm

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~~would act as placement agent, and they were long-time acquaintances and friends of the persons to whom they lent funds. They did not have customer accounts at the Firm, and they were not deemed to be "customers" in terms of FINRA Rule 3240.~~

While the Firm does not believe that the past lending relationships were improper, in order to accommodate the Staff's concerns raised by this Exception, the Firm has adopted the following corrective actions:

1. Lending between prospective investors and the Firm's associated persons is now discouraged. Such loans must be pre-approved in writing by a Principal of the Firm. Generally, only loans from persons who have a long-standing multi-dimensional relationship with the borrower will be approved.

2. All loans will be subject to the requirements of and documented in compliance with FINRA Rule 3240.

3. The Firm's written pre-approval will be preserved for at least three years after the date that the borrowing or lending arrangement has terminated, or for at least three years after the registered person's association with the Firm has terminated.

Exception No. 2

The Firm was not in compliance with FINRA Rule 2150(a) [Improper Use of Customers' Securities or Funds], FINRA Rule 2010 [Standards of Commercial Honor and Principles of Trade].

Firm's Response:

This Exception, including all of its subparts, is based on two faulty assumptions. First, it assumes that the Firm *controlled* the funds at issue; and second, it assumes that the funds *were* "customer funds." Both those assumptions are incorrect.

First, as set forth at length in the Firm's response to Exception 1, all funds raised for investment in the various companies for which the Firm acted as placement agent were in the exclusive possession, custody and control of MCMPLLP as escrow agent, which managed those funds through its attorney escrow account. The management, accounting, release and payment of those funds were under the control of that law firm as escrow agent. The Firm had no control over any of it, its only power being to veto a release of funds requested by the issuer. Clearly, the Firm cannot be held responsible for funds over which it had no exclusive control.

Second, once those funds were released from escrow, they ipso facto ceased to be "customer funds." This follows necessarily because funds could only be released from the escrow accounts if the preconditions to closing the various offerings were met. Once those preconditions were met and escrow was broken, the funds were released to the issuer and belonged to the issuer, not to any customers.

Specific responses to the details are set forth below, but all of them are formed by these overarching objections to this Exception in its entirety. In general, the Staff will see that all of the various payments noted and objected to were out of funds belonging to individual issuers, and all the disbursements fall into one of two categories: (a) payments by the issuer of transaction-related expenses or debts; or (b) payments by the Firm of Firm expenses out of funds paid by the issuer to the Firm as part of the Firm's compensation. In other words, either the issuer was directing payments out of the issuer's funds, or the Firm was directing payments out of the Firm's funds. In either case, once escrow was broken and funds were released, those funds could not possibly be "customer funds."

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As to the issuers using funds from the escrow accounts to pay expenses and debts, counsel advised at the time that the payment of issuer expenses, including the repayment of debts owed by the issuer, was a proper use of the issuer's "working capital." Inasmuch as all the offering documents permitted the use of investment proceeds for issuer working capital, counsel advised that the payment of such expenses was a proper use of the funds raised in the offerings. The payment of expenses directly from the escrow account became, at that point, only a matter of administrative convenience. In all instances, the Staff has found no instance of any investor having lost any funds or not having received full value for his or her investment by reason of these administrative procedures.

Accordingly, FINRA Rule 2150 is not even implicated by this conduct, much less violated, and no corrective action is needed. Nevertheless, in response to the Staff's concerns raised in this and other Exceptions involving escrow accounts for private placements in which the Firm acts as placement agent, the Firm has or will institute the following changes in its procedures:

1. The Firm has suspended using attorney escrow accounts for its private placements. The Firm currently requires bank escrow agents to be engaged for all offerings, and each offering has its own exclusive bank account. In the event the Firm resumes using attorney escrow accounts, it will specify to such attorneys that a separate bank account be opened for each offering.
2. The Firm's current procedure is that all monies held in escrow are promptly transmitted, upon escrow breaking, only to the issuer's operating account. Third-party disbursements from the escrow account are no longer allowed.
3. The Firm's FINOP will oversee this process and will create a supervisory system reasonably designed to ensure that it is adhered to.

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Detail:

The Staff's review noted the following instances where customer funds in the escrow account were improperly used:

- a. The Staff's review noted various instances where the Firm's registered representative, Mr. Osborn, received wires from Citibank Escrow Account and TD Bank Escrow Account totaling \$130,409.57 into his personal account on the following dates:

Date	Amount	Bank
02/19/2010	\$13,144.28	Citibank
04/27/2010	\$22,330.29	Citibank
05/21/2010	\$10,000.00	Citibank
06/30/2010	\$10,000.00	TD Bank
08/03/2010	\$10,000.00	TD Bank
08/16/2010	\$10,000.00	TD Bank
09/14/2010	\$2,435.00	TD Bank
11/02/2010	\$30,000.00	Citibank
→ 11/24/2010	\$7,500.00	Citibank
11/24/2010	\$15,000.00	Citibank

Firm's Response:

Except for the \$7,500 payment on November 24, 2010, MCMPLLP paid all of these funds to Mr. Osborn from the Bacterin escrow account, out of funds belonging to Bacterin and due from Bacterin to the Firm. The Firm's engagement letter with Bacterin required Bacterin to pay the Firm \$10,000 as a monthly retainer fee plus expenses related to the transaction. These payments came from that portion of the funds in the escrow account that had been released to Bacterin in accordance with the escrow agreement and offering documents. Therefore, the funds released and identified above belonged to the Firm, not to any customer.

The Firm's arrangement with Mr. Osborn specified that the Bacterin retainer, and any related expenses reimbursed by Bacterin, would be paid to Mr. Osborn directly as part of his

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compensation from the Firm. These payments were sometimes made, at Mr. Osborn's direction, to Mr. Osborn's wholly-owned and controlled entity, Middlebury Ventures LLC (not to be confused with Middlebury Venture II or Middlebury Venture III).

The \$7,500 payment on November 24, 2010, was not paid to Mr. Osborn, but to Mr. Charles Krause (through his wholly-owned LLC, Middlebury Advisors). Mr. Krause was being considered to assume the role of escrow agent in connection with a Nuvel offering, and this was Nuvel's payment to him of a fee for his services in connection with that expected role. Mr. Krause did not ultimately become escrow agent, nor did his wholly-owned LLC. The Staff should note that despite the name, Middlebury Securities has no ownership or financial interest in Middlebury Advisors LLC, which was and is wholly the entity of Mr. Krause. Mr. Krause was not a registered representative of Middlebury Securities. He is a lawyer and human capital expert whom Middlebury Securities introduced to its client Nuvel, and who performed services for Nuvel and was paid by Nuvel or at its direction out of funds released from escrow to Nuvel.

Accordingly, it is the Firm's position that these payments were proper, fully accounted for, and did not violate any FINRA Rules. Notwithstanding the foregoing, the Firm, in response to this and other Exceptions, is instituting procedures, described above, that would prevent these types of disbursements in the future.

b. The Staff's review noted instances where new customer funds were utilized to pay off prior investors. Specifically,

Nuvel: The Staff's review noted that an individual, Kevin Daly, who had invested \$100,000 in the Secured Convertible Notes offering on February 4, 2010, received \$49,972 and \$50,000 from customer funds in the Citibank Escrow Account #95757611 on August 2, 2010 and February 28, 2011, respectively.

Navagate: The Staff's review determined that three (3) customers who invested in Navagate were paid back using new customer funds in the Citibank Escrow account # 95757611. Specifically, the Staff noted that Zenobia Investments Ltd had invested \$100,000 on December 3, 2009 and was repaid the principal amount on October 25, 2010 using new customer funds in the escrow account. Similarly, Castle Re Insurance had invested \$150,000 on December 8, 2009 and was paid back \$120,000 on October 29, 2010 and the remaining \$30,000 on November 25, 2010 using new customer funds in the escrow account. A third customer, Curtis Brockleman, had invested \$50,000 on December 15, 2009 and was repaid \$26,250 using new customer funds in the escrow account on November 2, 2010.

Firm's Response:

In this sub-exception, the Staff is incorrectly attributing to the Firm payments and actions that were made by or at the direction of the various issuers identified. As stated above, counsel advised the issuers and the Firm that the repayment of debts owed by the issuers was a proper use of working capital, and therefore, inasmuch as all offering documents permitted the use of investor funds for working capital, the repayment of debts by the issuers out of investment proceeds released from escrow was a proper use of proceeds. All of the payments identified above, were deemed by the issuers to be legitimate debts owed by the issuers to the recipients of those funds. Accordingly, because these were funds paid upon advice of counsel, at the direction of the issuer out of issuer funds, it is the Firm's position that these payments were proper, fully accounted for, and did not violate any FINRA Rules. Notwithstanding the foregoing, the Firm, in response to this and other Exceptions, is instituting procedures, described above, that would prevent these types of disbursements in the future.

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c. The Staff's review determined that funds in the Citibank Escrow Account #95757611 unrelated to the Navagate offering were utilized towards disbursements related to the Navagate offering. Specifically, the Staff noted that after wiring a total of \$200,000 on January 14, 2010, the Navagate offering balance was, in effect, "zero." However, on March 4, 2010 a total of \$50,000 (Navagate \$36,000; Middlebury \$4,000; WMD \$10,000) was wired indicating that the proceeds from other offerings/customers in the escrow account were utilized. Again, on March 30, 2010 when the Navagate offering balance was "zero," a total of \$50,000 was wired to Navagate. Similarly, on April 5, 2010 when the Navagate balance was \$75,000, a total of \$125,000 was wired out (Beau Dietl and Associates \$11,500; Middlebury \$11,000; Harborview Advisors LLC \$25,000; Navagate \$77,500). Staff's review determined that, at a minimum, proceeds from two (2) offerings - Bacterin and Nuvel, were used towards the Navagate offering.

Staff's review determined that the Firm failed to disclose to customers that their funds would be commingled with investor funds from other offerings and with the funds of other non-Middlebury funds of clients/customers of the escrow agent.

Firm's Response:

The Firm understands that the funds of all investors in all private placements for which the Firm acted as placement agent have been properly accounted for, that no funds are missing, and that all offerings have been properly completed. That MCMPLLP elected to run all of the escrow accounts for the various offerings through one single attorney escrow bank account was not at the direction of the Firm, and the Firm did not know about it until after the fact. The Firm has been informed, however, that the funds of law firm clients are not considered "commingled" simply because they are all deposited in one bank account. The Firm has been informed that attorneys are obligated to keep strict internal accounting records of the funds of clients deposited in attorney escrow accounts, and so far as the Firm is aware, MCMPLLP did just that with respect to all the offerings for which it was acting as escrow agent. It is the Firm's position that MCMPLLP, as a law firm, was an appropriate entity for the Firm, and the issuers for which it acted as placement agent, to engage as escrow agent. It is also the Firm's position that the management of escrow funds by a law firm is not governed by FINRA, but by the New York courts. In any event, how MCMPLLP managed the escrow accounts cannot be attributable to the Firm. Accordingly, this Exception should be withdrawn.

Notwithstanding the foregoing, the Firm, in response to this and other Exceptions, is instituting procedures, described above, that would prevent these types of disbursements in the future.

Att Funds!

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- d. The Staff's review of disbursements from the Citibank Escrow Account #95757611 related to the Nuvel offering determined numerous instances of improper use of customer funds in the escrow account including,
- i. **Charley Krause:** The Staff's review noted numerous payments from the escrow account made to Charley Krause. Staff's review noted that Mr. Krause received a total of \$60,000 from July 2010 through March 2011 from the escrow account.
 - ii. **Charles Resnick:** The Staff's review noted that on August 19, 2010 a payment of \$20,000 was made to Charles Resnick (Resnick Enterprises LLC) from the escrow account.
 - iii. **Loan Repayment: Middlebury –** The Staff's review of escrow account statements determined that on September 19, 2011 \$50,000 was paid out of the escrow account to satisfy all or part of the loan that was previously made to the issuer by the Firm.
 - iv. **Loan Repayment: Alan Miller –** The Staff's review noted that an individual, Alan Miller, was repaid a loan he had made to Nuvel. Staff's review of the escrow account statements revealed that the \$25,000 was wired to Mr. Miller on September 19, 2011 to satisfy all or part of the loan.

Firm's Response:

In this sub-exception, the staff is again incorrectly attributing to the Firm payments and actions that were made by or at the direction of the issuer Nuvel. As stated above, counsel advised Nuvel and the Firm that the payment of expenses and the repayment of debts owed by Nuvel was a proper use of working capital, and therefore, inasmuch as all offering documents permitted the use of investor funds for working capital, the repayment of debts by Nuvel out of investment proceeds released from escrow was a proper use of proceeds. All of the payments identified above, were deemed by Nuvel to be legitimate expenses, and a debt owed by Nuvel. Accordingly, because these were funds paid upon advice of counsel, at the direction of Nuvel out of Nuvel's funds, it is the Firm's position that these payments were proper, fully accounted for, and did not violate any FINRA Rules. Notwithstanding the foregoing, the Firm, in response to this and other Exceptions, is instituting procedures, described above, that would prevent these types of disbursements in the future.

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- e. The Staff's review of disbursements from the Citibank Escrow Account #95757611 related to the Bacterin offering determined numerous instances of improper use of customer funds in the escrow account, including:
- December 4, 2009 – Kevin Daly - \$95,000
 - December 16, 2009 – Kevin Daly - \$205,000; and,
 - January 27, 2010 – Kevin Daley - \$202,500.
- f. The Staff's review of disbursements from the TD bank Escrow Account #424-5010973 related to the Bacterin PIPE offering determined numerous instances of improper use of customer funds in the escrow account, including:
- June 30, 2010 – Leon Frenkel - \$25,000
 - June 30, 2010 – Kevin P. Daly - \$25,000

Firm's Response:

In these sub-exceptions e and f, the staff is again incorrectly attributing to the Firm payments and actions that were made by or at the direction of the issuer Bacterin. As stated above, counsel advised Bacterin and the Firm that the payment of expenses and the repayment of debts owed by Bacterin was a proper use of working capital, and therefore, inasmuch as all offering documents permitted the use of investor funds for working capital, the repayment of debts by Bacterin out of investment proceeds released from escrow was a proper use of proceeds. All of the payments identified above, were deemed by Bacterin to be legitimate expenses owed by Bacterin. Accordingly, because these were funds paid upon advice of counsel, at the direction of Bacterin out of Bacterin's funds, it is the Firm's position that these payments were proper, fully accounted for, and did not violate any FINRA Rules. Notwithstanding the foregoing, the Firm, in response to this and other Exceptions, is instituting procedures, described above, that would prevent these types of disbursements in the future.

Exception No. 3

The Firm was not in compliance with SEA Rule 15c2-4 [Transmission or Maintenance of Payments Received in Connection with Underwritings] and SEA Rule 10b-9 [Prohibited Representations in Connection with Certain Offerings].

Detail:

Staff's review determined that the Firm broke escrow and released funds to the issuer Bacterin before satisfying the minimum contingency requirement of \$4 million in new money stated in the offering memoranda (Supplement No. 2 dated June 25, 2010). Staff's review determined that Guy Cook, CEO of Bacterin, an affiliate of the issuer, made an investment of \$775,000 which was counted towards meeting the minimum contingency requirement even though this was not a bona fide sale.

In addition, Staff noted instances where numerous individuals wired funds to the escrow account and the funds were subsequently wired back to these individuals, either in whole or in part, once funds were released to the issuer. The aggregate total of the returned wires was \$100,000 and not considered bona fide sales and as such did not count towards meeting the minimum contingency requirement.

Firm's Response:

This Exception is without merit and should be withdrawn. The Staff's conclusion hinges on two wrong assumptions: (a) that Guy Cook's \$775,000 investment was not a *bona fide* sale; and (b) that the Firm can be accountable for deciding that it was.

Bacterin and the Firm requested and obtained advice of counsel in determining whether Mr. Cook's investment in the offering was bona fide and countable towards the minimum contingency requirement. Counsel advised that the investment was allowable towards that requirement. Accordingly, Mr. Cook's investment more than made up for the return of the \$100,000 to investors who backed out of the transaction.

Moreover, the ultimate decision with respect to the contingency requirements of a private placement belong to the issuer and not to the Firm. The Firm's role is to conduct continuing due diligence with respect to the offering in an effort to prevent violations of law and misleading disclosures. In relying upon the advice of counsel that Mr. Cook's investment was allowable, the Firm fulfilled its obligations.

Accordingly, no rules were violated on account of Mr. Cook's investment and the closing of the Bacterin offering. This Exception should be withdrawn, and no corrective action is necessary.

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Exception No. 4

The Firm was not in compliance with FINRA Rule 2010 [Standards of Commercial Honor and Principles of Trade], Section 17(a) of the Securities Act [Fraudulent Interstate Transactions], SEA Rule 10(b)-5 [Employment of Manipulative and Deceptive Devices], FINRA Rule 2020 [Use of Manipulative, Deceptive or Other Fraudulent Devices].

Firm's Response:

The gist of this Exception is that the Firm failed to disclose, either adequately or at all, one or more facts about Nuvel, which the Staff now deems to be material. The Firm disagrees with the Staff's conclusion. As more fully detailed below, in response to specific sub-exceptions, some of the "facts" the Staff claims should have been disclosed are not even facts; others may be facts, but are not material facts. Moreover, all offering documents were prepared by or upon the advice of legal counsel for Nuvel and the Firm, and counsel was aware of all of the issues upon which the Staff now bases this Exception. Accordingly, and for the further reasons set forth below, this Exception is without merit and should be withdrawn, and no corrective action is warranted.

Detail:

The Staff's review determined that the Firm failed to disclose material information to customers related to the Nuvel offering. Specifically the Firm failed to disclose the following:

- a. Staff's review determined that Osborn's involvement with the issuer made him a control person. Staff determined that Osborn's control and involvement was much greater than what was disclosed to investors in the investor presentation or the private placement memorandum, in that he had discretion and control over how the proceeds in the offering were going to be utilized.

Firm's Response:

The Staff's conclusion that Mr. Osborn was a "control person" of Nuvel underlies its belief that additional disclosures about his role were necessary. However, the Staff's conclusion that Mr. Osborn was a "control person" is itself based on a conclusion that "he had discretion and control over how the proceeds in the offering were going to be utilized." It is not completely apparent how the Staff came to that conclusion. It would appear that the Staff is relying on its earlier expressed belief that Mr. Osborn directed payments to himself and others from the Nuvel escrow account. In doing so, the Staff has jumped from one incorrect conclusion to another.

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Simply put, Mr. Osborn did not have "discretion and control over how the proceeds in the offering were going to be utilized," and therefore he was not a "control person" of Nuvel for that reason.

It is true that Mr. Osborn was a substantial shareholder of Nuvel and a member of its Board of Directors, but even if that made him a "control person," those relationships were fully disclosed. Mr. Osborn's role was well known to Nuvel's investors, and additional disclosure would not have changed the mix of information those investors already had concerning Nuvel. Mr. Osborn's role was also known to Nuvel's counsel, who advised Nuvel and the Firm on the requisite disclosures to be made in the offering documents. The offering documents were prepared by or upon the advice of counsel, and the Firm reasonably relied upon that advice.

Finally, no investor in Nuvel has communicated with the Firm in any way questioning the investment or the Firm's role as placement agent therefore.

b. The potential conflicts of interest arising from Charley Krause's relationship with the Firm and the issuer.

Firm's Response:

This sub-exception is also based on a faulty premise, namely that there is or was a relationship between Mr. Krause and the Firm. Mr. Krause was not affiliated with the Firm. He had established his own practice under the name, Middlebury Advisors, offering consulting services to emerging growth companies. Mr. Krause and Middlebury Advisors were engaged directly by Nuvel, and provided advice to Nuvel, but not through the Firm. Admittedly, the similarity of names can be confusing, and has apparently confused the Staff. Nevertheless, the fact is that there was no relationship between Mr. Krause and the Firm, or between Middlebury Advisors and the Firm, and therefore no conflict of interest requiring additional disclosure.

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definition, Nuvel had limited liquid financial resources. That Nuvel needed to borrow money on a short-term basis to fund day-to-day operations is the very reason it needed to engage in a bridge financing transaction. From whom Nuvel may have borrowed money is not of itself a material fact, requiring special disclosure.

- f. That the issuer was in default on prior notes of the offering.
- g. That the prior investors signed an "Amendment to Subscription Documents & Waiver of Default".

Firm's Response:

These two sub-exceptions (f) and (g) are both deficient as they rely on a faulty circuitous logic. Nuvel could not have been "in default" on the prior notes if the prior investors waived that default. The Staff's position in these two sub-exceptions seems to be, therefore, that it was material to disclose that a prior default had been waived. However, the offering documents were prepared by or at the direction of Nuvel's and the Firm's counsel, who was fully familiar with the waiver of default by prior investors, and counsel determined that disclosure was unnecessary.

* The Firm is in no position to substitute a different judgment for counsel's on this matter. *

Obtain in a position to ...

Additionally, the Firm failed to adequately disclose the Firm's compensation arrangements with the issuer. The Staff determined that the private placement memorandum ("PPM") provided to customers did not adequately disclose the amount or percentage of compensation that was to be received by the Firm in connection with the offering.

Firm's Response:

The Firm acknowledges that the amount of the placement agent fee was not specified in the offering documents for the bridge financing for Nuvel. A review of records indicates that the Firm did not charge and was not paid a placement fee for the original investment in Nuvel (then known under the name "iNeteXcel"). The placement fee for the subsequent bridge round was the Firm's standard 10% placement fee, with which most, if not all, of the bridge investors would have been familiar from prior Middlebury Securities transactions. The final and most recent private placement memorandum, dated February 17, 2012, does disclose that the Firm is due a

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placement fee consisting of 8% cash and 8% warrants. The Firm has received no communications from any investor questioning the placement fee.

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Exception No. 5

The Firm was not in compliance with FINRA Rule 2010 [Standards of Commercial Honor and Principles of Trade], Section 17(a) of the Securities Act [Fraudulent Interstate Transactions], SEA Rule 10b-5 [Employment of Manipulative and Deceptive Devices] FINRA Rule 2020 [Use of Manipulative, Deceptive or Other Fraudulent Devices].

Detail:

The Staff's review determined that the Firm failed to disclose to customers of the Bacterin bridge offering that an aggregate payment of \$500,000 would be made to Kevin Daly from the offering proceeds.

Firm's Response:

As stated above in response to Exception 2, counsel advised Bacterin and the Firm that the payment of expenses and the repayment of debts owed by Bacterin was a proper use of working capital, and therefore, inasmuch as all offering documents permitted the use of investor funds for working capital, the repayment of debts by Bacterin out of investment proceeds released from escrow was a proper use of proceeds. The payment identified above was deemed by Bacterin to be legitimate repayment of a commercial loan owed by Bacterin. Accordingly, there was no need to specifically disclose in the offering documents this particular use of Bacterin's working capital.

Notwithstanding the foregoing, the Firm, in response to this and other Exceptions, is instituting procedures, described in response to Exception 2, that would prevent these types of third-party disbursements from escrow accounts in the future.

Exception No. 6

The Firm was not in compliance with FINRA Rule 2010 [Standards of Commercial Honor and Principles of Trade], Section 17(a) of the Securities Act [Fraudulent Interstate Transactions], SEA Rule 10(b)-5 [Employment of Manipulative, Deceptive or Other Fraudulent Devices], FINRA Rule 2020 [Use of Manipulative, Deceptive or other Fraudulent Devices].

Firm's Response:

The gist of this Exception is that the Firm failed to disclose, either adequately or at all, one or more facts about Navagate, which the Staff now deems to be material. The Firm disagrees with the Staff's conclusion. As more fully detailed below, in response to specific sub-exceptions, some of the "facts" the Staff claims should have been disclosed are not even facts; others may be facts, but are not material facts. Moreover, all offering documents were prepared by or upon the advice of legal counsel for Navagate and the Firm, and counsel was aware of all of the issues upon which the Staff now bases this Exception. Accordingly, and for the further reasons set forth below, this Exception is without merit and should be withdrawn, and no corrective action is warranted.

Detail:

The Staff's review determined that the Firm failed to disclose material information to customers related to the Navagate offering. Specifically, the Firm failed to disclose the following:

- a. The assets and liabilities included in Personal Financial Statements (Exhibit A of PPM) related to the Personal Guaranty provided by Navagate's CEO Gregory Rorke were not independently verified by the Firm.

Firm's Response:

The Firm could not have disclosed this detail because it is untrue. The Firm received and reviewed a net worth statement from Mr. Rorke. To the extent possible, the value of the private stock and the value of the house were confirmed. The Firm could not independently verify the balances in the bank, but relied on Mr. Rorke's representation that these balances were correct. However, it is critical to note that Mr. Rorke's personal guarantee was in addition to more traditional collateral in intellectual property and trade receivables, and therefore not as material to the transaction.

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b. The tax liens and liabilities of the CEO of the issuer, Gregory Rorke.

Firm's Response:

This "fact" is also incorrect. The past tax liens and liabilities of Mr. Rorke were not material to the financial condition of Navagate, in that they were cleared prior to drawing down on the escrow funds. The Firm verified the discharge of those obligations through documentation received from its outside counsel, Wollmuth Maher & Deutsch LLP, and from Mr. Rorke.

c. The Firm relied on unaudited financial statements to evaluate the issuer.

Firm's Response:

Navagate's investors all knew that Navagate only had unaudited financial statements. Private and emerging growth companies are rarely audited, and they are not required to be audited. None of Navagate's investors expected Navagate to have audited financial statements. That the Firm relied on the same financial statements available to the investors would seem a fact so obvious that it hardly needs special disclosure.

d. The issuer was in default in prior notes of the offering.

e. Firm failed to provide disclosures to investors who invested subsequent to the March 2011 amendment letters dated March 2011:

-The fact that prior investors signed a 'Waiver of Default & Extension of Maturity Date Agreement' in order to waive default and extend the maturity date of the prior notes.

-The maximum offering amount of the offering was increased from \$2.5m to \$3.5m.

Firm's Response:

These two sub-exceptions (d) and (e) are both deficient as they rely on a faulty circuitous logic. Navagate could not have been "in default" on the prior notes if the prior investors waived that default. The Staff's position in these two sub-exceptions seems to be, therefore, that it was material to disclose that a prior default had been waived. However, the offering documents were

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prepared by or at the direction of Nuvel's and the Firm's counsel, who was fully familiar with the waiver of default by prior investors, and determined that further disclosure was unnecessary.

In this case, however, the waiver was disclosed. Therefore, the Staff's position now seems to be that the Firm should have disclosed that the waiver was "in order to waive default and extend the maturity date of the prior notes." Navagate's and the Firm's counsel did not advise that such disclosure was necessary, and the Firm does not believe that such additional disclosure materially changes that mix of information available to investors.

Finally, Navagate's investors were certainly made aware that the offering was increased by \$1 million.

Additionally, the Firm failed to adequately disclose the compensation arrangements with the issuer. The Staff determined that the PPM provided to customers did not adequately disclose the amount or percentage of compensation that was to be received by the Firm in connection with the offering.

Firm's Response:

The Firm acknowledges that the amount of the placement agent fee was not specified in the offering documents for the Navagate offering. The offering documents were prepared by or upon the advice of counsel and all disclosures regarding the particulars of the Firm's placement fee were known to counsel. The Firm was advised by counsel that the disclosures made were sufficient. Notwithstanding these facts, all of Navagate's investors knew of the Firm's fee prior to investing in Navagate, and the Firm has received no communications from any investor questioning the placement fee.

PERSONAL GUARANTY

INDIVIDUAL GUARANTY

Dated as of March 25, 2011

To: The Purchasers Identified on the Signature Pages of the Subscription Agreement Referred to Below

WHEREAS, the Guarantor (defined below) originally executed a personal guaranty in favor of the Purchasers (defined below) in the amount of \$2,000,000 in December 2009, and

WHEREAS, the Company has accepted subscriptions in excess of \$2,000,000 in connection with the Bridge Offering (defined below); and

WHEREAS, the Guarantor has agreed to provide this additional personal guaranty in favor of Purchasers in the amount of \$1,250,000 such that his aggregate guaranty of the Notes issued in the Bridge Offering will be \$3,250,000.

NOW THEREFORE: In consideration of the terms and conditions contained in this Guaranty, and other good and consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned, intending to be legally bound, agrees as follows:

1. The Guaranty. For valuable consideration, the undersigned (the "Guarantor") hereby unconditionally guarantees and promises to pay promptly to the purchasers identified on the signature pages to the Subscription Agreement, executed in connection with the Bridge Offering (the "Subscription Agreement"), among Navagate, Inc., a Delaware corporation (the "Borrower") and each such purchaser (each, including its successors and assigns, a "Purchaser" and collectively, the "Purchasers"), in lawful money of the United States, any and all Indebtedness (as defined below) of Borrower to each Purchaser when due, whether at stated maturity, upon acceleration or otherwise, and at all times thereafter. The liability of the Guarantor is continuing and relates to any Indebtedness, including that arising under successive transactions which shall either continue the Indebtedness or from time to time renew it after it has been satisfied. All payments made by Guarantor to or for the account of any Purchaser hereunder shall be made by wire transfer of immediately available funds to the account set forth on Schedule 1 to this Guaranty, or in such other manner as Purchasers shall hereafter advise Guarantor.

2. Definitions.

"Borrower" shall mean the entity named in Paragraph 1 of this Guaranty.

"Bridge Offering" Borrower's 12% Convertible Note financing, in an aggregate principal amount of up to \$3,250,000, scheduled to close on March 31, 2011.

"Guarantor" shall mean the individual signing this Guaranty.

“Guaranty” shall mean this Individual Guaranty.

“Indebtedness” shall mean the collective reference to all obligations and undertakings of the Borrower of whatever nature, monetary or otherwise, under the Notes, the Subscription Agreement, the Security Agreements, the Warrants or any other Transaction Document, together with all reasonable attorneys’ fees, disbursements and all other costs and expenses of collection incurred by the Purchasers in enforcing any of such obligations or this Guaranty.

“Pledged Assets” shall mean the Guarantor’s personal assets including, without limitation, those set forth on the financial statement attached hereto as Exhibit A.

Capitalized terms used in this Guaranty without definition have the meanings ascribed to them in the Subscription Agreement or the Transaction Documents (as defined in the Subscription Agreement).

3. **Obligations Independent.** The obligations hereunder are independent of the obligations of Borrower or any other guarantor, and a separate action or actions may be brought and prosecuted against Guarantor whether action is brought against Borrower or any other guarantor or whether Borrower or any other guarantor be joined in any such action or actions.

4. **Rights of Purchasers.** The Guarantor authorizes Purchasers, without notice or demand and without affecting its liability hereunder, from time to time to:

(a) subject to the terms of the Transaction Documents, renew, compromise, extend, accelerate, or otherwise change the time for payment, or otherwise change the terms, of the Indebtedness or any part thereof, including increase or decrease of the rate of interest thereon, or otherwise change the terms of any Transaction Document;

(b) subject to the terms of the Transaction Documents, receive and hold security for the payment of this Guaranty or any Indebtedness and exchange, enforce, waive, release, fail to perfect, sell, or otherwise dispose of any such security;

(c) subject to the terms of the Security Agreements, apply such security and direct the order or manner of sale thereof as Purchasers in their discretion may determine; and

(d) release or substitute the Guarantor or any one or more of any endorsers or other guarantors of any of the Indebtedness.

All actions, notices, requests or demands that Purchasers or any Purchaser may take or make pursuant to the provisions of this Guaranty, shall be taken or made by and through Collateral Agent (as defined in the Transaction Documents).

5. **Guaranty to be Absolute.** Guarantor agrees that until all the Indebtedness has been indefeasibly paid in full and any commitments of any Purchaser or facilities provided by any Purchaser with respect to the Indebtedness have been terminated, Guarantor shall not be released by or because of the taking, or failure to take, any action that might in any manner or to

any extent vary the risks of Guarantor under this Guaranty or that, but for this paragraph, might discharge or otherwise reduce, limit, or modify Guarantor's obligations under this Guaranty. Guarantor waives and surrenders any defense to any liability under this Guaranty based upon any such action, including but not limited to any action of Purchasers described in the immediately preceding paragraph of this Guaranty. It is the express intent of Guarantor that Guarantor's obligations under this Guaranty are and shall be absolute and unconditional.

6. Guarantor's Waivers of Certain Rights and Certain Defenses. Guarantor waives:

(a) any right to require Purchasers to proceed against Borrower, proceed against or exhaust any security for the Indebtedness, or pursue any other remedy in Purchaser's power whatsoever;

(b) any defense arising by reason of any disability or other defense of Borrower, or the cessation from any cause whatsoever of the liability of Borrower; and

(c) any defense based on any claim that Guarantor's obligations exceed or are more burdensome than those of Borrower.

No provision or waiver in this Guaranty shall be construed as limiting the generality of any other waiver contained in this Guaranty.

7. Subordination of Subrogation. Until all the Indebtedness has been indefeasibly paid in full and any commitments to any Purchaser or facilities provided by any Purchaser with respect to the Indebtedness have been terminated, even though the Indebtedness may be in excess of Guarantor's liability hereunder, Guarantor agrees to subordinate to the rights of the Purchasers any right of subrogation, reimbursement, indemnification, and contribution (contractual, statutory, or otherwise) including, without limitation, any claim or right of subrogation under the Bankruptcy Code (Title 11, United States Code) or any successor statute, arising from the existence or performance of this Guaranty, and until such time, Guarantor agrees to subordinate to the rights of the Purchasers any right to enforce any remedy that any Purchaser now has or may hereafter have against Borrower, and agrees to subordinate to the rights of the Purchasers any benefit of, and any right to participate in, any security now or hereafter held by any Purchaser. Such subordination of subrogation rights shall end at such time as all Indebtedness has been indefeasibly paid in full.

8. Waiver of Notices. Except as otherwise provided herein, Guarantor waives all presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, notices of intent to accelerate, notices of acceleration, notices of any suit or any other action against Borrower or any other person, any other notices to any party liable on any Transaction Document (including Guarantor), notices of acceptance of this Guaranty, notices of the existence, creation, or incurring of new or additional Indebtedness to which this Guaranty applies or any other Indebtedness of Borrower to any Purchaser, and notices of any fact that might increase Guarantor's risk.

9. Subordination. Any obligations of Borrower to Guarantor, now or hereafter existing, including but not limited to any obligations to Guarantor as subrogee of the Purchasers or resulting from Guarantor's performance under this Guaranty, are hereby subordinated to the

Indebtedness. Guarantor agrees that, if Purchasers so request, Guarantor shall not demand, take, or receive from Borrower, by setoff or in any other manner, payment of any other obligations of Borrower to Guarantor until all the Indebtedness has been indefeasibly paid in full and any commitments of any Purchaser or facilities provided by any Purchaser with respect to the Indebtedness have been terminated. If any payments are received by Guarantor in violation of such waiver or agreement, such payments shall be received by Guarantor as trustee for Purchasers and shall be paid over to Purchasers on account of the Indebtedness, but without reducing or affecting in any manner the liability of Guarantor under the other provisions of this Guaranty. Any security interest, lien, or other encumbrance that Guarantor may now or hereafter have on any property of Borrower is hereby subordinated to any security interest, lien, or other encumbrance that Purchasers may have on any such property.

10. Revocation of Guaranty.

(a) This Guaranty may be revoked at any time by Guarantor in respect to future transactions, unless there is a continuing consideration as to such transactions that Guarantor does not renounce. Such revocation shall be effective upon actual receipt by Purchasers, at the address shown below or at such other address as may have been provided to Guarantor by Purchasers, of written notice of revocation. Revocation shall not affect any of Guarantor's obligations or Purchaser's rights with respect to transactions committed or entered into prior to Purchaser's receipt of such notice, regardless of whether or not the Indebtedness related to such transactions, before or after revocation, has been incurred, renewed, compromised, extended, accelerated, or otherwise changed as to any of its terms, including time for payment or increase or decrease of the rate of interest thereon, and regardless of any other act or omission of Purchasers authorized hereunder.

(b) In the event of the death of Guarantor, the liability of the estate of the deceased Guarantor shall continue in full force and effect the Indebtedness existing at the date of death, and any renewals or extensions thereof.

(c) Guarantor acknowledges and agrees that this Guaranty may be revoked only in accordance with the foregoing provisions of this paragraph and shall not be revoked simply as a result of any change in name, location, or composition or structure of Borrower, the dissolution of Borrower, or the termination, increase, decrease, or other change of any personnel or owners of Borrower.

11. Reinstatement of Guaranty. If this Guaranty is revoked, returned, or canceled, and subsequently any payment or transfer of any interest in property by Borrower to any Purchaser is rescinded or must be returned by any Purchaser to Borrower, this Guaranty shall be reinstated with respect to any such payment or transfer, regardless of any such prior revocation, return, or cancellation.

12. Stay of Acceleration. In the event that acceleration of the time for payment of any of the Indebtedness is stayed upon the insolvency, bankruptcy, or reorganization of Borrower or otherwise, all such Indebtedness guaranteed by Guarantor shall nonetheless be payable by Guarantor immediately if requested by Purchasers.

13. Information Relating to Borrower. Guarantor acknowledges and agrees that it shall have the sole responsibility for, and has adequate means of, obtaining from Borrower such information concerning Borrower's financial condition or business operations as Guarantor may require, and that Purchasers have no duty, and Guarantor is not relying on Purchasers, at any time to disclose to Guarantor any information relating to the business operations or financial condition of Borrower.

14. Borrower's Authorization. It is not necessary for Purchasers to inquire into the powers of Borrower or of the officers, directors or agents acting or purporting to act on its behalf, and any Indebtedness made or created in reliance upon the professed exercise of such powers shall be guaranteed hereunder.

15. Negative Covenants; Additional Agreements. (a) The Guarantor covenants and agrees that, without the prior written consent of the Collateral Agent (as agent for the Purchasers), the Guarantor will, not (i) sell, assign or transfer any of the Guarantor's rights in or to the Pledged Assets, or (ii) create any other security interest in, mortgage or otherwise encumber the Pledged Assets, or any part thereof, or permit the same to be or become subject to any lien, attachment, execution, sequestration, other legal or equitable process or any encumbrance of any kind or character, except the security interests herein created.

(b) Guarantor hereby covenants that following an Event of Default (as defined in the Secured Convertible Promissory Note), Guarantor shall promptly obtain a mortgage on Guarantor's primary residence located in Bronxville, NY (the "Residence") in the event that the Pledged Assets (other than the Residence) are not sufficient to satisfy all outstanding Indebtedness. In addition, Guarantor agrees to deliver, or cause to be delivered, such additional instruments, agreements, certificates and documents as Collateral Agent may reasonably request to grant, perfect, maintain, protect and evidence security interests in favor of Purchasers in the Pledged Assets (including the Residence). Guarantor shall fully cooperate and perform all additional acts reasonably requested by Collateral Agent to effect the purpose of this Section 15.

16. Remedies. If Guarantor fails to fulfill its duty to pay all Indebtedness guaranteed hereunder, Purchasers shall have all of the remedies of a creditor under all applicable law. Without limiting the foregoing, Purchasers may, at their option and without notice or demand:

(a) declare any Indebtedness due and payable at once;

(b) take possession of any collateral pledged by Borrower pursuant to the Security Agreements, wherever located, and sell, resell, assign, transfer, and deliver all or any part of the collateral in accordance with the provisions of the Transaction Documents; and

(c) set off against any or all liabilities of Guarantor all money owed by any Purchaser or any of its agents or affiliates in any capacity to Guarantor, whether or not due, and also set off against all other liabilities of Guarantor to any Purchaser all money owed by such Purchaser in any capacity to Guarantor. If exercised by any Purchaser, such Purchaser shall be deemed to have exercised such right of setoff and to have made a charge against any such money immediately upon the occurrence of such default although made or entered on the books subsequent thereto.

17. Representations and Warranties. Guarantor represents and warrants to the Purchasers that: (a) Guarantor has full power and capacity to execute and deliver this Guaranty and each other Transaction Document to which he is a party and to incur and perform the obligations and undertakings provided herein and therein; (b) no consent or approval of any Governmental Authority or any third party is or will be required as a condition to the enforceability of this Guaranty and each other Transaction Document to which he is a party; (c) this Guaranty and each other Transaction Document to which he is a party has been duly executed and delivered by the Guarantor and is enforceable against the Guarantor in accordance with the terms hereof and thereof; (d) there is no litigation or proceeding involving the Guarantor pending or, to the knowledge of the Guarantor, threatened before any court, tribunal or governmental authority, which may in any way materially adversely affect the financial condition or property of the Guarantor, except as previously disclosed to Purchasers; (e) there is no law, rule, regulation or order pertaining to the Guarantor and no provision of any agreement, mortgage or contract binding on the Guarantor or affecting his property, which could conflict with, be breached by, be in default or in any way prevent, the execution, delivery or carrying out of the terms of this Guaranty and each other Transaction Document to which he is a party; and (f) Guarantor has a substantial financial interest in the Borrower and is receiving immediate, substantial and direct benefit from the transactions contemplated by the Transaction Documents.

18. Notices. All notices required under this Guaranty shall be personally delivered or sent by first class mail, postage prepaid, or by overnight courier, to the addresses on the signature page of this Guaranty, or sent by facsimile to the fax numbers listed on the signature page, or to such other addresses as Purchasers and Guarantor may specify from time to time in writing. Notices sent by (a) first class mail shall be deemed delivered on the earlier of actual receipt or on the fourth business day after deposit in the U.S. mail, postage prepaid, (b) overnight courier shall be deemed delivered on the next business day, and (c) telecopy shall be deemed delivered when transmitted.

19. Entire Agreement. This Guaranty, together with the other Transaction Documents and the exhibits and schedules thereto, contain the entire understanding of the parties with respect to the subject matter hereof and supersede all prior agreements and understandings, oral or written, with respect to such matters, which the parties acknowledge have been merged into such documents, exhibits and schedules. This Guaranty does not supersede, replace, amend or modify any prior guaranty given by the Guarantor to the Purchasers.

20. Amendments; Waivers. No provision of this Guaranty may be waived or amended except in a written instrument signed, in the case of an amendment, by the Guarantor and each Purchaser or, in the case of a waiver, by the party against whom enforcement of any such waiver is sought. No waiver of any default with respect to any provision, condition or requirement of this Guaranty shall be deemed to be a continuing waiver in the future or a waiver of any subsequent default or a waiver of any other provision, condition or requirement hereof, nor shall any delay or omission of Purchasers to exercise any right hereunder in any manner impair the exercise of any such right.

21. Headings. The headings herein are for convenience only, do not constitute a part of this Guaranty and shall not be deemed to limit or affect any of the provisions hereof. The

language used in this Guaranty will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party.

22. Successors and Assigns. This Guaranty shall be binding upon Guarantor and his heirs, representatives, estate and permitted assigns and shall inure to the benefit of the Purchasers and their respective successors and permitted assigns. The Guarantor may not assign this Guaranty or any rights or obligations hereunder without the prior written consent of each Purchaser. Any Purchaser may assign any or all of its rights under this Guaranty to any Person to whom such Purchaser assigns or transfers the Note, Warrant or securities underlying either of Note or the Warrant (the "Securities"), provided such transferee agrees in writing to be bound, with respect to the transferred Securities, by the provisions of the Purchase Agreements that apply to the "Purchasers".

23. Governing Law. All questions concerning the construction, validity, enforcement and interpretation of this Guaranty shall be governed by and construed and enforced in accordance with the internal laws of the State of New York, without regard to the principles of conflicts of law thereof that would defer to the substantive laws of another jurisdiction. Each party agrees that all legal proceedings concerning the interpretations, enforcement and defense of the transactions contemplated by this Guaranty and any other Transaction Documents (whether brought against a party hereto or its respective affiliates, directors, officers, shareholders, employees or agents) shall be commenced exclusively in the state and federal courts sitting in the City of New York. Each party hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York, borough of Manhattan for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein (including with respect to the enforcement of this Guaranty), and hereby irrevocably waives, and agrees not to assert in any suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action or proceeding is improper or inconvenient venue for such proceeding. Each party hereby irrevocably waives personal service of process and consents to process being served in any such suit, action or proceeding by mailing a copy thereof via registered or certified mail or overnight delivery (with evidence of delivery) to such party at the address in effect for notices to it under this Guaranty and agrees that such service shall constitute good and sufficient service of process and notice thereof. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law. The parties hereby waive all rights to a trial by jury. If either party shall commence an action or proceeding to enforce any provisions of this Guaranty, then the prevailing party in such action or proceeding shall be reimbursed by the other party for its attorneys' fees and other costs and expenses incurred with the investigation, preparation and prosecution of such action or proceeding.

24. Execution. In the event that Guarantor's signature is delivered by facsimile transmission, such signature shall create a valid and binding obligation of the Guarantor with the same force and effect as if such facsimile signature page were an original thereof.

25. Severability. If any provision of this Guaranty is held to be invalid or unenforceable in any respect, the validity and enforceability of the remaining terms and provisions of this Guaranty shall not in any way be affected or impaired thereby and the parties

will attempt to agree upon a valid and enforceable provision that is a reasonable substitute therefor, and upon so agreeing, shall incorporate such substitute provision in this Guaranty.

26. Construction. The parties agree that each of them and/or their respective counsel has reviewed and had an opportunity to revise this Guaranty and, therefore, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Guaranty or any amendments hereto.

27. Additional Guaranty. This Guaranty is intended to provide additional security for the Purchasers in the Bridge Offering and is in addition to the Guarantor's original Guaranty of \$2,000,000 (the "Original Guaranty"). The Original Guaranty remains in full force and effect and, as a result, the aggregate amount of the personal guaranty provided by Guarantor to the Purchaser's in the Bridge Offering is \$3,250,000.

IN WITNESS WHEREOF, the Guarantor has duly executed this Guaranty as of the date first indicated above.

Guarantor: Greg Rorke

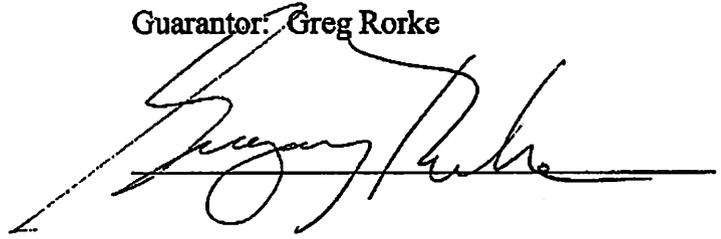
A handwritten signature in black ink, appearing to read "Greg Rorke", written over a horizontal line. The signature is stylized and cursive.

Exhibit A

Personal Financial Statement

Form CR-107 (Revised May 1977)
 Suggested Form Formulated By
 FEDERAL RESERVE BANK OF NEW YORK

FINANCIAL STATEMENT
 As of _____ 19__

PERSONAL

NAME: GREG RORKE RESIDENCE: 130 W 42nd St 11th Fl
 OCCUPATION: _____ BUSINESS ADDRESS: NY, NY 10036
 OR PROFESSION: _____

I make the following statement of all my assets and liabilities at the close of business on the date indicated above to

(Name and Location of Personal Institution)
 and give other material information for the purpose of obtaining advances on notes and bills bearing my signature, endorsement, or guaranty, and for obtaining credit generally upon present and future applications.

ASSETS		LIABILITIES and NET WORTH	
Cash on Hand	\$ 200,000	Notes Payable to Banks - Unsecured (Direct borrowing only) (Sch. No. 1)	0
Cash in Banks	(Sch. No. 1) 200,000	Notes Payable to Banks - Secured (Direct borrowing only) (Sch. No. 1)	0
Notes Receivable	(Sch. No. 2)	Notes Payable to Others - Unsecured	0
Accounts Receivable	(Sch. No. 2)	Notes Payable to Others - Secured	0
Loans Receivable	(Sch. No. 2)	Accounts Payable	0
Life Insurance - Cash Surrender Value (Do not deduct loans) (Sch. No. 3)		Loans against Life Insurance (Sch. No. 3)	0
Securities - Readily Marketable U.S. Govt. & Bond or Stock Securities (Sch. No. 4) 5,000,000		Real Estate Mortgages Payable (Sch. No. 5)	0
Securities - Not Readily Marketable Unlisted stocks & bonds (Sch. No. 4) 5,000,000		Real Estate Taxes & Assessments Payable (Sch. No. 5)	0
Mortgages Owned (Sch. No. 5)		Federal & State Income Taxes	0
Real Estate (Sch. No. 6) 1,400,000		Other Taxes	0
Automobile(s) Registered in own name		Interest Payable On loans, mortgages, etc.	0
Other Assets (through)		Brokers Margin Accounts (Sch. No. 6)	0
		Other Liabilities (through)	0
		Net Worth	12,000,000
TOTAL ASSETS	\$12,000,000	TOTAL LIABILITIES & NET WORTH	12,000,000

SUPPLEMENTARY SCHEDULES

NOTE: The following data should be furnished as of the same date as this Financial Statement. Fill in all spaces; insert "NONE" where appropriate.

No. 1 - Banking Relations - List all bank accounts, including savings accounts:

Name and Location of Bank	Cash Balance	Amount of Loans	Indicate How Loan is Secured, Guaranteed or Insured
<u>HSBC NEW YORK</u>	<u>\$800,000</u>		

No. 2 - Notes, Accounts and Loans Receivable - List the largest amounts owed to you:

Name and Address of Debtor	Amount of Debt	Age of Debt	Nature of Debt	If Secured, Describe Security	Date Payment Expected

No. 3 - Life Insurance - List all policies in which you are named as the insured:

Insurer	Insurance Company	Face of Policy	Face Amount of Policy	Total Cash Surrender Value	Total Loans Against Policy	If Applicable, Indicate to Whom
<u>WLP</u>			<u>\$2,000,000</u>	<u>0</u>	<u>0</u>	

No. 4 - Securities - List all stocks, bonds, etc.:

Face Value (Par Value) No. of Shares (Bonds)	Description of Security	Registered Owner(s)	Cost	Market Value	Book Value	If Foreign, Indicate to Whom
<u>1000</u>	<u>TREAS</u>		<u>\$</u>	<u>\$750,000</u>	<u>\$</u>	
<u>1000</u>	<u>XCORP</u>		<u>\$</u>	<u>250,000</u>	<u>\$</u>	
<u>1000</u>	<u>NAVY</u>		<u>\$</u>	<u>4,000,000</u>	<u>\$</u>	
<u>1000</u>	<u>US TRUST</u>		<u>\$</u>	<u>0</u>	<u>\$</u>	

(Continued on Reverse Side)

SUPPLEMENTARY SCHEDULES -- (Continued)

No. 5 -- Mortgages Owned --		Amount of Owned Mortgage	Mortgage Interest Due & Unpaid	Interest if Paid or Secured Mortgage	Amount of Total Mortgage
Location and Description of Mortgaged Property	Assessed Value	Market Value			
②	\$	\$	\$		\$

Mortgage Income -- During the 12 month period ended 19... I received interest payments of \$... and principal payments of \$... on the above described mortgages.

No. 6 -- Real Estate --	Cost with Improvements	Assessed Value	Market Value	Rent Value	Annual Gross Rental Income	Annual Net Rental Income (Before Deductions)
HOME / RESIDENCE	\$	\$	\$140,000		\$	\$

Title to Real Estate -- The title to all of the above described properties is in my name solely, except as follows (give details):

No. 7 -- Real Estate Mortgages Payable -- List all mortgages on the above properties follow the same sequence:

First Mortgages		Second Mortgages		Business Mortgages Payable Due Within One Year	Mortgages Payable Due & Unpaid	Taxes and Assessments Due & Unpaid
Amount	Maturity	Amount	Maturity			
\$ ②		\$		\$	\$	\$

No. 8 -- Brokers Margin Accounts -- List the names and addresses of the brokers and indicate the net amount due to each:

SUPPLEMENTARY INFORMATION

Personal Data -- No. of Dependents... ②

Income and Expenses -- Albany, child support, or separate maintenance income need not be revealed if you do not wish to have it considered on a basis for repaying this obligation. My gross income from all sources during the 12 month period ended 19... amounted to \$... My personal living expenses and those of my dependents during that period amounted to \$... and I had other expenses for income taxes, insurance premiums, interest on debts, etc., of \$... I expect no important changes in my income or expenses during the current year or next year, except as follows (give details):

Contingent Liabilities -- As of the date of this financial statement, I had no contingent liabilities, except as follows: Notes Receivable Discounted or Sold \$...; Accounts Receivable Assigned or Sold \$...; Co-maker \$...; Accommodation Endorser, Guarantor or Surety \$...; Mortgage Bonds \$...; Claims for Taxes \$...; Other (describe):

Pledged, Assigned or Hypothecated Assets -- Describe all assets not noted elsewhere in this statement as having been pledged, assigned or hypothecated and indicate the liabilities which they secure: None

As of the date of this financial statement, I had not pledged, assigned, hypothecated or transferred the title to any of my assets, except as noted on this form or on a supporting schedule, nor has any such action been taken since that date, except as follows (give details):

Legal Actions -- No lawsuits, claims, judgments, or other legal actions are outstanding or pending against me and, to the best of my knowledge, no legal actions are to be started against me, except as follows (give details): None

Insurance Coverage -- Fire Insurance: Buildings \$...; Automobile(s), Household Effects, etc. \$...; Indicate if policies have extended coverage endorsements: ...; Liability Insurance: Automobile \$...; Personal \$...; General Public \$...; Other Insurance (describe): SUFFICIENT

Date of latest independent analysis of insurance: ...; Indicate adequacy of coverage:

Certification -- This is to certify that all the statements contained herein and in any supporting schedules are true and give a correct showing of my financial condition as of the date indicated. I further certify that I had no liabilities, direct or contingent, business or accommodation, except as set forth in this statement, and that the title to all assets therein set forth is in my name solely, except as may be otherwise noted. IN THE EVENT OF ANY MATERIAL ADVERSE CHANGE IN MY FINANCIAL CONDITION, I AGREE TO NOTIFY THE FINANCIAL INSTITUTION NAMED HEREIN IMMEDIATELY IN WRITING.

Signed this 20th day of APRIL 2010

[Signature]
(Signature)

NOTE: If space is insufficient, separate schedules, which should be clearly identified as being part of this statement, may be attached hereto. Such schedules should be dated and signed in the same manner as this statement.

Schedule 1

(Wire Instructions for Payment to be provided to Placement Agent)

EXHIBIT #2

Navagate relevant emails and FINRA notes specific to Navagate

1. Midd Series 24 and rep Mike Teicher's relations to key Navagate Investors
2. FINRA's Navagate Q&A using biased questions that represent pre confirmed facts or misleading statements
3. FINRA's Branch Interview with Mike Teicher (Post Rorke discoveries and Failures) Irony, Say I wasn't managed, yet interview the series 24 whom set with me within 30 feet daily.
4. Mikes unconfirmed inaccurate recall and verbal responses of discussions with Osborn Investors.

Subject: FW: Teicher \$100k
Date: Thursday, January 19, 2012 at 1:27:39 PM Eastern Standard Time
From: Donna Schulze
To: GREG OSBORN
CC: James Robinson

Expense breakdown attached.

Thanks,

Donna Schulze

170 East Ridgewood Ave
Ridgewood, NJ 07450
Cell: 3[REDACTED]1
Fax: 303-955-1593
donnaschulze@middsec.com

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-----Original Message-----

From: Daly Kevin [<mailto:kevin@caydal.com>]
Sent: Thursday, January 19, 2012 10:02 AM
To: Donna Schulze
Subject: RE: Teicher \$100k

Donna,

Yes please forward it to them as well. Thanks.

Kevin

-----Original Message-----

From: Donna Schulze [<mailto:DonnaSchulze@middsec.com>]
Sent: Thursday, January 19, 2012 9:57 AM
To: Daly Kevin
Subject: RE: Teicher \$100k

Kevin,

2-1

Check Activity 2010				
Paid To:	CK#	Amount	Date	
Donna Schulze	1031	\$ 3,500.00	03/03/10	Feb Paycheck
Smarsh	1032	\$ 840.97	03/03/10	Nov,Dec,Jan Invoice
Regus	1033	\$ 628.30	03/12/10	April Rent / Bob
Donna Schulze	1034	\$ 3,500.00	03/15/10	March Paycheck
Smarsh	1035	\$ 289.95	03/16/10	Feb Invoice
Donna Schulze	1036	\$ 3,500.00	04/15/10	Apr Paycheck
Smarsh	1038	\$ 289.95	04/22/20	March Payment
Regus	1039	\$ 849.00	04/22/10	May Rent / Bob
Regus	1040			Voided CK/Signature
Pepper Hamilton	1049	\$ 208.19	04/23/10	Broker Dealer Issues
Delaware Secretary of State	1050	\$ 250.00	04/23/10	Saxum Financial Group, LLC
Delaware Secretary of State	1051	\$ 250.00	04/23/10	Saxum Advisory Services, LLC
PHS Corate Services	1052	\$ 600.00	04/23/10	Registered Agent Fees
Smarsh	1053	\$ 289.95	05/11/10	April Payment
Donna Schulze	1054	\$ 3,500.00	05/11/10	May Paycheck
Regus	1041	\$ 909.92	05/18/10	June Rent / Bob
Donna Schulze	1042	\$ 3,500.00	06/09/10	June Paycheck
Regus	1043	\$ 628.30	06/30/10	July Rent / Bob
Smarsh	1044	\$ 289.95	06/30/10	May Payment
Total		#####		

2-2

Do you want it sent to Jim and Greg who were also copied on the email?

Thanks,

Donna Schulze

170 East Ridgewood Ave
Ridgewood, NJ 07450
Cell: [REDACTED]
Fax: 303-955-1593
donnaschulze@middsec.com

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-----Original Message-----

From: Daly Kevin [<mailto:kevin@caydal.com>]
Sent: Thursday, January 19, 2012 9:47 AM
To: Donna Schulze; Greg Osborn; [REDACTED]
Cc: James Robinson
Subject: RE: Teicher \$100k

Donna,

That would be very helpful. Can you please send it to Bob and I? Thanks.

Kevin

-----Original Message-----

From: Donna Schulze [<mailto:DonnaSchulze@middsec.com>]
Sent: Thursday, January 19, 2012 9:46 AM
To: Greg Osborn; [REDACTED] Daly Kevin
Cc: James Robinson
Subject: RE: Teicher \$100k

I do have a breakdown of all expenses if you need it.

-----Original Message-----

From: Greg Osborn
Sent: Thursday, January 19, 2012 9:44 AM
To: [REDACTED] kevin@caydal.com
Cc: James Robinson; Donna Schulze

2-3

Subject: Re: Teicher \$100k

What I thought!

--

Gregory J. Osborn
Co-Founder Managing Partner.
Middlebury Securities,
L.L.C. Greg@middsec.com
Office 201 670 4386
[REDACTED]
EFax 646 514 3980
170 East Ridgewood Ave
Ridgewood, NJ 07450
www.middleburygroup.com

The problems we face today are there because the people who work for a living are outnumbered by those who vote for a living.

"A friend"

"It's Tough to make predictions, especially about the Future."

Yogi Berra

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----- Original Message -----

From: Robert Taggart [REDACTED]
Sent: Thursday, January 19, 2012 11:40 AM
To: Greg Osborn; kevin@caydal.com <kevin@caydal.com>
Cc: James Robinson; Donna Schulze
Subject: RE: Teicher \$100k

Greg,

How would that have gone to me? Zero. Donna got a small payments that Kevin was good for.

WTF?

Bob

2-4

-----Original Message-----

From: Greg Osborn [<mailto:greg@middsec.com>]
Sent: Thursday, January 19, 2012 9:29 AM
To: [REDACTED] kevin@caydal.com
Cc: James Robinson; Donna Schulze
Subject: Teicher \$100k

Bob abd Kevin,
Teicher says he didn't use much of the \$100k from Kev for himself, that it went mostly to Bob and Donna.
Is that true?

--
Gregory J. Osborn
Co-Founder Managing Partner.
Middlebury Securities,
L.L.C. Greg@middsec.com
Office 201 670 4386
[REDACTED]
EFax 646 514 3980
170 East Ridgewood Ave
Ridgewood, NJ 07450
www.middleburygroup.com

The problems we face today are there because the people who work for a living are outnumbered by those who vote for a living.
"A friend"

"It's Tough to make predictions, especially about the Future."
Yogi Berra

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2-5

MURAT AKTAK
11/16/12

Hi Mr. / Ms. _____, my name is Syed Bukhari - I am an examiner with the Financial Industry Regulatory Authority. With me on the call is Victoria Vandewater also an examiner with FINRA. [FINRA is a private-sector Self-Regulatory organization that oversees the conduct of virtually all broker dealers in the United States and all individuals associated with these broker-dealers].

We are currently ^{conducting an audit} reviewing the ~~conduct~~ of Middlebury Securities with respect to the sales of a Private Placements called NAVAGATE.

The records we obtained during our audit of Middlebury Securities indicate that you invested _____ in the offering.

Can you tell us how you became aware of the Navagate offering? *KNOW Grey's office Social*

Who at the Firm introduced the offering to you? *Grey OSBORN*

How was the offering presented to you?

Were there any guarantees or assurances provided to you by Middlebury Securities regarding the offering? By whom at Middlebury? *Personal Guarantee from the Co-founder*

Were you made aware of any financials issues pertaining to Navagate or its CEO Gregory Rorke?

Were you aware of the numerous tax-issues against NAVAGATE and its CEO Gregory Rorke? Both state and federal? *NOT aware*

If yes - how were you made aware?

If no - would that have been important when making your decision to invest in NAVAGATE? *Yes, likely it would have influenced his decision.*

Did you have any concerns regarding Navagate?

Did you have any concerns regarding how this offering was sold to you by Middlebury Securities.

[IF SOLD TO CUSTOMER AFTER FIRST DEFAULT]

- Were you made aware of the fact that Navagate had defaulted on prior notes?
- If yes - how were you made aware?
- If no - would that have been important when making your decision to invest in NAVAGATE?

We would like to emphasize - This inquiry should not be interpreted as indicating that we have determined that any violations of the securities rules and regulations have occurred, or as a reflection upon the Middlebury Securities or any person associated Middlebury Securities. We are merely gathering information at this point of our investigation.

We appreciate your cooperation in this matter.

Hoping to work something out BEEN IN CONTACT w/ OSBORN Regarding the default.

Did he know about prior default - NO. He wouldn't invest. He would just love to get his principle back.

2-6

Opening of Ridgewood branch ^{Exam} - INTERVIEW NOTES -
OSBORN, SHAW & TEICHER

Ridgemakers LLC

Tax & Software Companies Share space

\$2200 Rent

770 IT/email

40 Electric

Email Review

Teicher - Chris & Steve

ROBINSON - DONNA, OSBORN, TEICHER

Boca Office

Todd & Mike Teicher WORK from here. Teicher
Splits time

Deals are referred from other relationships

80% are recurring investors

Referrals from other investors

Ongoing solicitation for institutional

Nuve1

OSBORN co-founded about 2 yrs ago. New bus dev.

Jay

Charles Reisman

300,000 - 400,000 shs locked up.

2-7

Marcum - Auditor

F010597

OSBORN spends about 1/2 time w/ Nuvel.

1 YR Note

INstitutional Rate

EVERYONE TAKES PIK (pay IN KIND)

PIK - VERY common w/ START-ups

Shaw - due diligence efforts @ office.

Nuvel - potential REVERSE merger IN 2012.

Alan Miller (FIRST DISCOUNT Brokers)

CO-broker agreement

Jim, Chris, OSBORN around tax time took
IN lieu of commissions to pay back loans from
Alan Miller.

David Kloos (SKS Capital) - GL \$1,800 adjustment
price was adjusted - Kloos overcharged.
Private Sale - prior investors wanted to sell shares

2-8

Mike Teicher call / meeting

:: List of investors dissatisfied (Osborn's customers)

Tim Lane upset but Teicher has not spoken to him.

Maurice - 100% money back. Teicher spoke to him
" was angry about representations made on default status.

Hawkstone Cup - part of the lawsuit. Upset about the transaction - he would call Rorke. He would hound Grey. He was an investor in Nuvel and has not been paid back. He may be willing to speak to FINRA.

HARRY Middleman - has not returned Teicher's call.

David Raisbeck - Teicher spoke w/ his lawyer. Receivable financing to be paid back (approx 30 days) to pay off tax. Raisbeck was not happy.
Investment in notes not paid back.

Nuvel & Navagate investor Tom C. has not returned Teicher's call.

Nuvel & Navagate investor - Richard O'Leary. 2-9
Hasn't spoken w/ Teicher about investments
Teicher plans to ask -- trying to establish Report.

Blitts - haven't return Teacher's calls.

Marat - Received a portion of investment back.
Really ANGRY - got about 20% back.

David Sabbath - Got a portion of principal back.
Not responsive - was initially.

RCI Limited (Real Cool Group) Johnathon Seyal
AWKWARD response. Teacher called 2x again.
No return call, though. He indicated he
was not happy w/ investment.

London Family Trust - Teacher has not spoken to yet

Lawsuit (investors part of)

- Marat
- Maurice (possibly)
- Christopher Grub (Not a Middlebury client)

Adam & Ralph

- Sold by Teacher but handed off to Osboen
as it was his deal.

Teacher said he would call Ralph to see if we can
contact him.

2-10

Grey Baker - was originally Shaw's client but handed off
to Osboen

F010600

Audit was "always close to be done." Teicher
believes to date - never had audited financials.
Rosy financial was always presented.

2-11

F010601

EXHIBIT #3

Emails and documents demonstrating Middlebury and Counsel team effort and work.

1. List of Navagate investors only ½ were Osborn specific investors. Fees paid on others
2. Navagate Cash flow for "loan repayment argument"
3. WMD (Law Firm) and Teicher receiving and accepting summary Balance Sheet. (My email doesn't enable me to locate direct firm employee emails) - I am blamed for approving and accepting - no one else recalls and no one else is questioned.....
4. WMD Bills demonstrating Rep Shaw's work and involvement in the period of document review and due diligence
5. WMD (Introducing firm, our Counsel and then Navagate Counsel issuing "Good Standing Certificate." - only issue - \$50 Delaware tax bill.
6. Counsel and Navagate CFO due diligence Q&A
7. Series 24 Donna Schulze accepting and reviewing PG
8. Post issues discovery examples
9. Grannus Financial VALUATION REPORT (Grannus is Midd Rep Joe Zappulla
10. Shaw receiving for review the Navagate offering Document from Counsel
11. Middlebury Navagate Report. I don't know if 24 Jim Robinson or Rep Levine wrote this.
12. FINRA YIELDS ZERO CREDIT TO ANY OF THIS

Subject: Re: Chris Shaw: Navagate Update Comments

Date: Thursday, April 8, 2010 at 3:39:57 PM Eastern Daylight Time

From: Greg Rorke

To: Chris Shaw

CC: Greg Osborn

here is my latest

thanks

DEMO OF
SHAW WORKING
W COMP ON OFFERING
DOCS + NUMBERS

WHO LIED

Subject: List of Navagate Investors

Date: Wednesday, June 29, 2011 at 2:42:36 PM Eastern Daylight Time

From: Donna Schulze

To: GREG OSBORN

Zenobia Investments Yannick.Kaeser@Stonehage.com
Castle Re Insurance pmoison@castlere.bm
Curtis Brockelman curt.brockelman@harvestvolmgt.com
Timothy Lane [REDACTED]
Maurice Werdeger MauriceW@westerntech.com
Jonathan Shapse [REDACTED]
Christopher Ngai [REDACTED]
Michael Meyers michael724@optonline.net
Jeffrey Schwartz jschwartz@whafh.com
Hawkstone Capital mandrews@midsec.com
Alan Koh alan.koh@credit-suisse.com
Neil Roth 'nroth@neilrothmd.com'
Christopher Grubb 'cgrubb@greenhill.com'
Steven A Axel saxel@southfieldcapital.com
Brian Cohen bscohen@adena.org
Harry Mittleman [REDACTED]
David W Raisbeck d_rais@hotmail.com
Michael Lefkowitz lefkowitzmd1@columbus.rr.com
Thomas Colicchio tcolicchio@craftrestaurant.com
Neville Llyod Rhone [REDACTED]
Alan Miller amillerds1@embarqmail.com
Richard O'Leary rich@lacuna.com
Irwin Blitt [REDACTED]
Gregory Baker gbaker@scu.edu
Murat Aktar murat.aktar@sterling-sound.com
Paragon Capital _alan@ParagonLP.com
Adam Kugler [REDACTED]
David Sabath david.sabath@latigopartners.com
Ralph Cioffi [REDACTED]
RCI II Limited JS@jsegal.net
Gravitas Capital vlopriore@gravitascap.com
London Family Trust [REDACTED]

ONLY
15 OF 32
WERE
GREG OSBORN
INVESTORS



**Middlebury
Group**

Donna Schulze
170 East Ridgewood Ave
Ridgewood, NJ 07450
Cell: [REDACTED]
Fax: 303-955-1593
donnaschulze@midsec.com

3-1

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Navagate, Inc.
Collections Projection
2010

	May		June		July		August		September		October		November		December	
	1-15	16-31	1-15	16-30	1-15	16-31	1-15	16-31	1-15	16-30	1-15	16-31	1-15	16-30	1-15	16-31
Domestic Agility																
NYL Change Req's Rel 1.0		9,780														
NYL Change Req's Rel 1.1	8736															
New York Life (Rel 1.2)		17,614		27,813												
New York Life (Rel 1.3)		68,343		68,343		68,343		68,343		99,697						
New York Life Maintenance		171,245						175,064					175,064			
Mass Mutual (SOW)	75,000		25,000		50,000		50,000			50,000						
Mass Mutual (CRs)																
Mass Mutual (Maint & A:C)		1,718	1,800	1,800	1,800	1,800										
Mass Mutual Licenses		7,845	10,000	10,000	10,000	10,000										
Mass Mutual Agency Licenses																
Other																
Mutual of Omaha (Lic and Maint)																
Mutual of Omaha (MAX BDM Implementation)	83,738	475														
Sagcor																
Sagcor Maint																
Colina									17,850				21,190			
Thrivent									11,100							
Mennonite Mutual			13,417													
TOTAL AGILITY	187,474	277,020	50,217	107,956	81,800	80,143	-	293,407	28,950	99,697	50,000	-	21,190	175,064	-	-
NAVAYA																
Peak Vista / ACES	10,120		15,000		15,000		15,000		15,000		15,000		15,000		15,000	
AMS	6,440		7,500		7,500		7,500		7,500		7,500		7,500		7,500	
Benefit Point	18,218		16,000		16,000		16,000		16,000		16,000		16,000		16,000	
Fontis	3,510															
Globoforce	53,276		65,000		75,000		75,000		75,000		75,000		75,000		75,000	
Gryphon		18,002		16,000		16,000		16,000		16,000		16,000		16,000		20,000
Hillery House	290															20,000
Socialize your Stuff	3,884		4,000		4,000		4,000		4,000		4,000		4,000		4,000	
Learning Span	4,048		4,000		4,000		4,000		4,000		4,000		4,000		4,000	
Total Navaya	99,764	18,002	111,500	18,000	121,500	16,000	121,500	16,000	121,500	16,000	121,500	16,000	121,500	20,000	121,500	20,000
Asia Pacific																
HSBC ISP HK				485,000		25,000		25,000		25,000		25,000		75,000		
Bank of Philippines				25,000												
Total Asia Pacific	-	-	-	510,000	-	25,000	-	25,000	-	25,000	-	25,000	-	75,000	-	-
Navagate Software Pvt Ltd (India)																
Canara	11,570		17,380		146,000	23,145	23,145		28,930		11,570					
Half Month total	278,808	295,022	179,077	633,956	183,300	267,143	144,845	357,552	150,450	189,627	171,500	52,570	142,690	270,064	121,500	20,000
Monthly total	573,630		813,033		450,443		502,197		320,077		224,070		412,754		141,500	

VERBAL/ Contract In Process																
HSBC - Shanghai			50,000		50,000		50,000		50,000		50,000		50,000		250,000	
HSBC - PFS - Taiwan			100,000		100,000		100,000		100,000		100,000		100,000			
NY Life							50,000		75,000		75,000		75,000		75,000	
NY Life Mexico									100,000		100,000		100,000			
MMA - Rel 3.0 Upgrade			50,000				50,000				50,000				50,000	
Thrivent - Maint & Support			10,000				10,000									
Sagcor - Rel 3.0 Upgrade												25,000			25,000	
Mass Mutual - Sales Reporting			25,000				75,000		50,000		50,000		50,000			
Mutual of Omaha - Change requests					30,000		30,000		30,000		30,000		30,000			50,000
Mutual of Omaha - Direct to Consumer													100,000		100,000	
			235,000		230,000		385,000		405,000		480,000		505,000		550,000	
			1,048,033		680,443		887,197		725,077		704,070		917,754		891,500	

PIPELINE
20- 30 accounts (see detailed spreadsheet)

5-2

Subject: RE: Please

Date: Wednesday, April 21, 2010 at 2:21:21 PM Eastern Daylight Time

From: Gerald Coviello

To: Michael Teicher

CC: Greg Osborn

Mike,

The summary balance sheet is attached.

GC

Gerald Coviello
Wollmuth Maher & Deutsch LLP
500 Fifth Avenue, 12th Floor
New York, New York 10110

T: 212-382-3300

F: 212-382-0050

www.wmd-law.com

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From: Michael Teicher [mailto:MTeicher@SaxumFG.com]

Sent: Wednesday, April 21, 2010 2:17 PM

To: Coviello, Gerald

Cc: 'Greg Osborn'

Subject: RE: Please

Any word on the back up documentation , I have not received any of the financials. I realize it is out of your hands, however I have my client asking the time frame...

Michael

From: Coviello, Gerald [mailto:GCoviello@WMD-LAW.com]

Sent: Wednesday, April 21, 2010 9:30 AM

To: MTeicher@SaxumFG.com

Cc: greg@midsec.com

Subject: Re: Please

I'm going to send them at 10.

Gerald Coviello
Wollmuth Maher & Deutsch LLP
500 Fifth Avenue, 12th Floor
New York, New York 10110

T: 212-382-3300

F: 212-382-0050

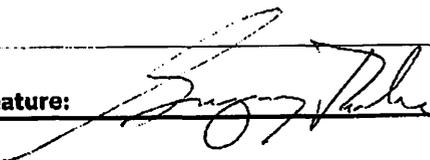
3-3

PERSONAL FINANCIAL STATEMENT

Greg Rorke
31-Mar-10

Assets	Amount in Dollars
Cash - checking accounts	\$ 200,000
Cash - savings accounts	-
Certificates of deposit	800,000
Securities - stocks / bonds / mutual funds	5,000,000
Notes & contracts receivable	-
Life Insurance (cash surrender value)	-
Personal property (autos, jewelry, etc.) real estate	1,500,000
Retirement Funds (eg. IRAs, 401k)	-
navagate	4,000,000
Other assets morning street (teters) Xxtra Mile	1,000,000
Total Assets	\$ 12,500,000

Liabilities	Amount in Dollars
Current Debt (Credit cards, Accounts)	\$ 10,000
Notes payable (describe below)	-
Taxes payable	-
Other liabilities (specify)	-
Other liabilities (specify)	-
Total Liabilities	\$ 10,000
Net Worth	\$ 12,490,000

Signature:  Date: 4/9/10

3-4

WOLLMUTH MAHER & DEUTSCH LLP

500 FIFTH AVENUE
NEW YORK, NEW YORK 10110

TELEPHONE (212) 382-3300
FACSIMILE (212) 382-0050

Taxpayer I.D. No. 13-3997794

SIMW

Gregory J. Osborn
Middlebury Securities LLC
202 Mountain Avenue
Ridgewood, NJ 07450

May 11, 2010
Invoice #: 18863

Bacterin WM&D Ref. No. 3661-005

For professional services rendered as set forth in detail on the attached printout from:

March 01, 2010⁻ April 30, 2010

Due For Professional Services	\$14,773.00
Disbursements	\$6.04
Monthly Total Balance Due	<u>\$14,779.04</u>

Previous Balance	\$0.00
Payments Received	\$0.00
Retainer Applied	\$7,000.00
Retainer Balance	\$0.00
Total Amount Due	\$7,779.04

If you wish to make payment by wire transfer, our account information is:

Signature Bank
300 Park Avenue
New York, New York 10022
Acct Name: Wollmuth Maher & Deutsch LLP
Acct# 
ABA# 

3-5

Time Listing Details

May 11, 2010

Invoice #: 18863
Client #: 3661

Matter #: 3661-005

DATE	DESCRIPTION	LAWYER	HOURS	RATE	AMOUNT
Mar-19-10	Correspondence w/company, escrow agent and t/cs w/G. Osborn; t/cs w/C. Shaw	GC	0.60	\$495.00	297.00
Mar-23-10	Correspondence w/company, escrow agent and t/cs w/G. Osborn; correspondence w/D. Cohen	GC	0.30	\$495.00	148.50
Mar-24-10	Correspondence	GC	0.20	\$495.00	99.00
Mar-25-10	Correspondence	GC	0.10	\$495.00	49.50
Mar-30-10	Review various emails re: closing	SCB	0.30	\$550.00	165.00
	Call w/ D. Cohen re: investor/escrow issues; prep email to G. Osborn and S. DiCostanzo re: same	PRW	0.50	\$275.00	137.50
Mar-31-10	Attn to escrow matters and signature pages; prep escrow release notice	PRW	0.60	\$275.00	165.00
Apr-02-10	Research re: Ohio broker licensing requirements	SCB	0.30	\$550.00	165.00
	Attn to email and issue re: Ohio broker dealer	PRW	0.40	\$275.00	110.00
Apr-05-10	Correspondence; t/cs G. Osborn; additional correspondence; review investor docs; o/cs PRW	GC	1.00	\$495.00	495.00
Apr-06-10	Look at Bacterin events of default	SCB	0.30	\$550.00	165.00
	Correspondence; t/cs w/G. Osborn, C. Krause; t/cs to/from team	GC	2.00	\$495.00	990.00
Apr-07-10	Review docs for potential events of default, conf w/GC re: events of default	SCB	1.00	\$550.00	550.00

3-6

	Correspondence; t/cs w/G. Osborn, C. Krause; t/cs to/from team; several follow up matters w/investors; o/cs w/SCB, PRW	GC	3.50	\$495.00	1,732.50
Apr-08-10	Correspondence; t/cs w/ G. Osborn, C. Krause; t/cs to/from team; o/c w/ G. Osborn; follow up w/ D. Cohen	GC	1.00	\$495.00	495.00
Apr-09-10	Correspondence; t/cs w/team re: several matters; t/cs w/M. Mahler re: deal points; reverse merger issues; documentation	GC	1.00	\$495.00	495.00
Apr-12-10	Correspondence; t/cs team re: several matters; t/cs w/M. Mahler, G. Osborn re: deal matters; discuss correspondence to investors	GC	1.00	\$495.00	495.00
Apr-13-10	Correspondence; t/cs team re: several matters; t/cs w/M. Mahler, G. Osborn re: deal matters; discuss correspondence to investors; blue sky related matters	GC	1.50	\$495.00	742.50
Apr-14-10	Correspondence; t/cs w/team re: several matters; t/cs w/M. Mahler, G. Osborn re: deal matters; discuss correspondence to investors; t/cs w/C. Shaw, G. Osborn re: investor issues w/current deal	GC	2.50	\$495.00	1,237.50
Apr-15-10	Correspondence; t/cs w/team re: several matters; t/cs w/M. Mahler, G. Osborn re: deal matters; follow up items	GC	0.80	\$495.00	396.00
Apr-16-10	Correspondence; t/cs team re: several matters; t/cs w/M. Mahler, G. Osborn re: deal matters; follow up items; draft letter agmt; t/cs w/C. Krause	GC	1.40	\$495.00	693.00
Apr-19-10	Several t/cs and emails w/client	GC	2.00	\$495.00	990.00
Apr-20-10	Correspondence; t/cs w/team re: several matters; follow up calls w/C. Shaw	GC	0.80	\$495.00	396.00
Apr-21-10	T/cs team re: several matters; follow up calls w/C. Shaw; G. Osborn; emails to/from G. Osborn	GC	1.00	\$495.00	495.00
Apr-22-10	Correspondence; t/cs team re: several matters; follow up calls w/C. Shaw, G. Osborn, investors	GC	0.80	\$495.00	396.00
Apr-23-10	Correspondence; t/cs team re:	GC	1.00	\$495.00	495.00

3-7

several matters; follow up calls w/C. Shaw,
G. Osborn, investors

Apr-26-10	Correspondence; t/cs team re: several matters; follow up calls w/investors and escrow agent	GC	0.50	\$495.00	247.50
Apr-27-10	Correspondence; t/cs and emails w/Bacterin and escrow agent	GC	0.30	\$495.00	148.50
Apr-28-10	Correspondence; t/cs team re: several matters; follow up calls w/G. Osborn, investors; draft subordinated, non-secured agmt; correspondence w/D. Cohen re: same	GC	2.10	\$495.00	1,039.50
Apr-29-10	Correspondence; t/cs team re: several matters; o/cs w/SCB re: offering docs	GC	0.50	\$495.00	247.50
Apr-30-10	Follow up on several matters relating to corporate matters w/JLR; emails and t/cs w/BBI	GC	1.00	\$495.00	495.00
TOTAL HOURS			<u>30.30</u>		<u>\$14,773.00</u>

3-8

Subject: Good Standing Certificate

Date: Monday, April 26, 2010 at 12:24:21 PM Eastern Daylight Time

From: Gerald Coviello

To: Greg Rorke, Jack Langstine, Greg Osborn

Guys,

Since WMD is now going to issue a legal opinion I went ahead and ordered a good standing certificate which we would need to do as part of the opinion.

As you will see in the attached, the Company is not in good standing because it has not paid Delaware franchise taxes. In order to get in good standing,

the company will have to pay its franchise taxes plus penalties and interest and file a certificate of revival which we can assist with. Jack, have you received

any correspondence from the State of Delaware/Division of Corporations recently regarding franchise taxes? If so, please scan and email to me for

review. Thanks.

GC

3-9

Subject: Fw: Navagate Good Standing

Date: Monday, April 26, 2010 at 11:48:38 AM Eastern Daylight Time

From: Greg Rorke

To: Greg Osborn

We are working the DE item, but it is not going to be more than a few thousand \$\$-- not \$300K +

----- Forwarded by Greg M Rorke/G2X on 04/26/2010 12:49 PM -----

From: Jack Langstine/G2X
To: "Coviello, Gerald" <GCoviello@WMD-LAW.com>
Cc: Greg M Rorke/G2X@G2X
Date: 04/26/2010 12:46 PM
Subject: Navagate Good Standing

3-14

Subject: Navagate

Date: Tuesday, October 19, 2010 at 4:08:43 PM Eastern Daylight Time

From: Joe Zappulla

To: GREG OSBORN

Greg,

I ran an analysis of Navagate's potential multiples based on Jack's projections to determine a suitable valuation. I assumed \$1 per share and ran multiples on pre-money valuations ranging from \$15 million to \$20 million.

Pre-Money Valuation	\$ 15,000,000	\$ 16,000,000	\$ 17,000,000	\$ 17,500,000	\$ 18,000,000
Forward P/S	1.4x	1.4x	1.5x	1.6x	1.6x
Forward P/E	16.7x	17.8x	19.0x	19.5x	20.1x
Post-Money Valuation	\$ 25,900,000	\$ 26,900,000	\$ 27,900,000	\$ 28,400,000	\$ 28,900,000
Forward P/S	2.3x	2.4x	2.5x	2.6x	2.6x
Forward P/E	29.5x	30.6x	31.7x	32.3x	32.9x
Shares Outstanding- Post	25,900,000	26,900,000	27,900,000	28,400,000	28,900,000
Fully Diluted Shares - Post	30,012,500	31,012,500	32,012,500	32,512,500	33,012,500

Companies in his peer group are trading on average 2.3x forward revenue and 18x forward earnings. His overall peer group, including the likes of Salesforce.com and NetSuite, are trading on average 3.7x forward revenue and 38x forward earnings. The average top line growth rate for the peer group is 13%, but earnings growth is averaging 36%.

Based on this we could try to float a \$17.5 million pre-money. Navagate is projecting 49% top line growth in 2011. While this is good growth, it doesn't fall under the category of the hyper growth you want to see in a company in this stage of development. To Navagate's benefit, the growth pattern that they develop has a strong base and is more predictable, which should afford them better market recognition, but they haven't proven that they can deliver growth.

Look this over. I can send the detailed peer group analysis. We should discuss the valuation internally before having a conversation with Rorke.

Joe

3-11

Subject: Things To Get Done

Date: Tuesday, September 27, 2011 at 2:27:10 PM Eastern Daylight Time

From: Donna Schulze

To: GREG OSBORN

Greg,

Per our conversation, I have attached everything needed to follow up with items below.

Nuvel

- I need the attached Letter to Investors signed by Leon Frenkel
- I need the attached Letter to Investors and both Waivers signed by Jonathan Segal
- I will call Chris to have him print the Notes & Warrants and send to Jay for his signature
- Do you have a record of when your \$100,000 was invested so I can create a Note and Warrant for you?
- Please talk to Gerald regarding a letter we can send to all investors to find out who did or didn't receive their original Note and Warrant unless you think the Loss Affidavit he sent will work.

Navagate

- Please see attached Navagate Letter to Investors and a spreadsheet showing who has not sent back yet.

Follow up on Audit Items:

- Castelmec – Did you send the Castelmec Subscription Agreements out to Raisbeck, Brockelman and Colicchio?
- Cipher Optics Where you able to locate any investor documents for this deal?

Thanks



**Middlebury
Group**

Donna Schulze
170 East Ridgewood Ave
Ridgewood, NJ 07450
Cell: [REDACTED]
Fax: 303-955-1593
donnaschulze@middsec.com

3-12

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Subject: RE: Cyrus and Rand

Date: Tuesday, April 27, 2010 at 4:36:42 PM Eastern Daylight Time

From: Greg Rorke

To: Gerald Coviello

CC: Greg Osborn, Jack Langstine, Paul Weber

From: "Coviello, Gerald" <GCoviello@WMD-LAW.com>
To: <GRorke@navagate.com>, <JLangstine@navagate.com>, "Greg Osborn" <greg@midsec.com>
Cc: "Weber, Paul" <pweber@wmd-law.com>
Date: 04/26/2010 06:39 PM
Subject: RE: Cyrus and Rand

Greg,

The Intercreditor Agreement provides that the bridge holders and the existing lenders will rank *pari passu* with respect to the company's assets. This means that the existing lenders either have to convert or agree to amend their UCC financing statement(s) to agree to have the bridge holders covered by the same UCC. Have you discussed this with Cyrus and Rand? If not, please do.

Based on my calls with investors today including Harborview, we need the following follow-up information (in no particular order):

1. **Old Note Holders** – Please provide the transaction documents for prior debt rounds so that investors know the terms of such investments and most importantly what the payment terms & schedules are for such noteholders.

Jack is gathering and will forward later today

2. **Stock Register** – The cap table (which I understand from Greg is being cleaned up) doesn't clearly indicate the number of shares for Wayne and Jack. Please let me know what date the founders shares were issued (Greg's shares are dated 9/30/08) and provide a copy of the stock register showing when and to whom such shares were issued.

to follow

3. **Stock Option Plan**. Is there a plan in place? If yes, please provide a copy of the stock option plan and copies of grants.

attached

see cap table-- options converted to stock

4. **Navagate's 2009 Tax Returns**. Have returns or extensions been filed? What was paid?

Returns on extension

No tax due or paid – operating losses

5. **Organization Chart** – Harborview would like an Org Chart showing the relationship of the several different Navagate entities and other entities such as Mornignstreet, J2X etc.

3 16

I am a partner in MorningStreet, a private equity vehicle. There is one company remaining in the portfolio worth -- 33% of Teters-- \$25-30M of equity (\$8-10M net to ptrnship). Partnership is in liquidation. Rorke time 1-2 hours per week. \$20M invested, \$30M returned

G2X no longer exists.

Navagate Inc is a Delaware C corp and owns 100% of all its subsidiaries-- Navagate Private Software Ltd (India), Navagate Asia Pacific Ltd. (Hong Kong) and "Navagate" Foreign Private Enterprise (Belarus)

6. **Personal Tax Liens.** Investors would like to understand the nature of the tax liens against Greg and Wayne. Are they related to the business? Have any been paid, in dispute? Need color.

They are all part of Navagate and show up on personal liens due to the personal liability for trust fund taxes

7. **J2X/Navagate/Morningstreet Capital.** What is the relationship of these entities and what services are shared if any? What time does Greg Rorke commit to each of these entities?

G2X no longer exists.

I am a partner in MorningStreet, a private equity vehicle. There is one company remaining in the portfolio worth -- 33% of Teters-- \$25-30M of equity (\$8-10M net to ptrnship). Partnership is in liquidation. Rorke time 1-2 hours per week. \$20M invested, \$30M returned

There is no connection between Morningstreet and Navagate

8. **Personal Guaranty.** Are all of the assets listed on the personal financial statement held by Greg Rorke individually or jointly with wife? Please clarify.

They are individually or jointly held

9. **Conversion of Old Notes.** Please provide terms for conversion for any old secured noteholder who has agreed to convert.

No one has agreed to convert. until I have a deal to bring to them it is difficult to negotiate

10. **Tax Liens Against Navagate.** Please provide proof of payment for all paid tax liens (still waiting on the \$23K one). Also, please provide plan for payment of Federal tax liens (appears to be \$700K in fed liens currently).

Jack Langstine faxed the 23k satisfaction to WMD earlier today

11. **Employment Agreements.** The forms that I provided were basic forms for employees of a company. Investors may request a more robust form for CEO/CFO, etc. This is a very "market request". Also, they will expect all top level people to have 2 year non-compete agreements (a term which is generally enforceable under NY law).

12. **Founder's Shares.** Are all share's fully vested?

yes

13. **Insurance Policies.** I know you applied for Key Man; can you have a copy of the application for Harborview tomorrow? Also, I don't recall if we discussed D&O coverage. Do you have it? If so, what are the coverage amounts? app filed for \$2M each-- rorke physical scheduled for Fri Apr 30. Kaplan out of country

14. **Audit Update.** Please provide a status update on the Navagate audit.

2-4 weeks away from the resumption of payments

Subject: RE: Rorke Personal Guaranty

Date: Friday, March 25, 2011 at 4:30:18 PM Eastern Daylight Time

From: Paul Weber

To: Donna Schulze

CC: Gerald Coviello, GREG OSBORN

Donna – Please delete my prior email. This is the current persona guaranty executed by Greg Rorke.

From: Donna Schulze [mailto:DonnaSchulze@midsec.com]

Sent: Friday, March 25, 2011 5:12 PM

To: Weber, Paul

Subject: RE: Rorke Personal Guaranty

Paul,

Do I have to end this to all investors or just those that ask?

From: Weber, Paul [mailto:pweber@wmd-law.com]

Sent: Friday, March 25, 2011 2:43 PM

To: Donna Schulze

Cc: Coviello, Gerald; Greg Osborn

Subject: Rorke Personal Guaranty

Donna:

Please find attached Rorke's executed personal guaranty for Navagate.

Best,

Paul

Paul Weber
Wollmuth Maher & Deutsch LLP
500 Fifth Avenue
New York, New York 10110
T: (212) 382-3300
F: (212) 382-0050
www.wmd-law.com

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Subject: Navagate/Middsec Open Items

Date: Friday, July 29, 2011 at 12:58:53 PM Eastern Daylight Time

From: Gerald Coviello

To: Greg Rorke, GREG OSBORN

CC: Rory Deutsch

Priority: High

Greg and Greg,

As discussed it is important that you meet or get on the phone today to discuss a plan to complete the audit, pay the taxes and move forward with the proposed transaction.

IRS Communications: I know that Greg Rorke now has an open line of communication with the IRS. You need to set a deadline and pay off the taxes. The money can't just sit in escrow. Does the investor know that the money is still in escrow?

Audit Communications. On the audit, Greg O—you need to speak with Greg Rorke before communicating with McGladrey. I do think it would be helpful to get a list of open items and a timeline. Middsec will help chase down any items needed by the auditors to complete the audit.

Other Developments. Greg Osborn disclosed to WMD the existence of a consulting agreement between Navagate and a party named Winthorp this morning which agreement calls for the payment of a material number of shares to Winthorp for business development. No such agreement was disclosed to investors in connection with the bridge round so I called Greg Rorke to ask specifically whether any such agreement existed. Greg Rorke assured me that there is no signed agreement with Winthorp and thus no disclosure obligation under the terms of the bridge documents. If this is not in fact the case the investors would have to be notified of this non-disclosure promptly as Navagate would be in material breach of their obligations under the bridge documents. If a signed copy of this agreement or any other material agreement or matter exist which were not disclosed in the bridge documents please notify us immediately.

Regards,

Gerald

Gerald Coviello
Wollmuth Maher & Deutsch LLP
500 Fifth Avenue, 12th Floor
New York, New York 10110

T: 212-382-3300

F: 212-382-0050

www.wmd-law.com

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Subject: Navagate Subscription Package

Date: Wednesday, March 31, 2010 at 11:36:33 AM Eastern Daylight Time

From: Paul Weber

To: Chris Shaw

CC: Greg Osborn, Gerald Coviello, Sandip Bhattacharji

Chris:

Please find attached the subscription package as of 3/25/10 and the signature page packet. Please note that we are still waiting for comments from Melissa Mahler and will have to revise the subscription package accordingly (we expect these comments to be investor friendly). Once revisions are made, all investors who subscribed under this subscription package will have to consent via email to the revised subscription package.

Regards,

Paul

WN
CHRIS

3-20

Subject: FW: Navagate Cap Table

Date: Wednesday, January 26, 2011 at 4:17:49 PM Eastern Standard Time

From: GREG OSBORN

To: Jim Robinson

From: Joe Zappulla <jmzappulla@middsec.com>

Date: Tue, 18 Jan 2011 11:00:42 -0500

To: Greg Rorke <GRorke@navagate.com>, Jack Langstine <jlangstine@navagate.com>

Cc: greg <greg@middsec.com>

Subject: Navagate Cap Table

Greg and Jack,

I intend to use the following cap table for investor meetings. Would you look it over and let me know if you're comfortable with this. I used a Pre-Money valuation of \$19 million (based on the valuation report), which will be negotiated pursuant to investor demand, and \$1 per share price.

Management & Pre-Money Equity \$ 19,000,000

CAP TABLE: Investment Warrant
Coverage Shares at
"X" Value Shares Derivatives Fully
Diluted %
Ownership %
Ownership

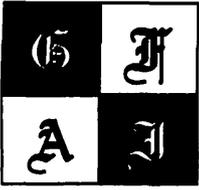
w/ MPFWs

Management	\$	19,000,000	\$	1.00	19,000,000	-	19,000,000	54.0%	50.2%	
Public Shell Value (6% of Pre-Money Valuation)	\$	700,000	\$	1.00	700,000	-	700,000	2.0%	1.9%	
	\$	19,700,000			19,700,000		19,700,000	56.0%	52.1%	
PIPE - Shares	\$	10,000,000	\$	1.00	10,000,000	-	10,000,000	28.4%	26.4%	
Warrants (\$1.33-\$1.50)	40%		-		4,000,000	4,000,000	11.4%	10.6%		
\$1.25 Million Bridge Note	\$	1,500,000			-	0.0%	0.0%			
Warrants for Bridge Holders (\$1.33-\$1.50)	40%		-			500,000	500,000	1.4%	1.3%	
Warrants On All Fees (10%)	10%		-		1,000,000	1,000,000	2.8%	2.6%		
Sub-Total	\$	29,700,000			29,700,000	5,500,000	35,200,000	100.0%	93.1%	
Management Performance Warrants (@ \$1.50)	\$				-	12.5%	-	2,612,500	2,612,500	6.9%
Total	\$	29,700,000			29,700,000	8,112,500	37,812,500	100.0%		

Best regards,

Joe Zappulla

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**Grannus
Financial
Advisors**

NAVAGATE, INC.

HISTORICAL AND FORWARD LOOKING

and

G2X, INC.

VALUATION ANALYSIS

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NAVAGATE, Inc.

VALUATION ANALYSIS

OVERVIEW

Grannus Financial, Inc. (“Grannus Financial”) has undertaken this valuation analysis (Valuation Analysis) for the purpose of (1) estimating enterprise value of Navagate, Inc. (“Navagate” or the “Company”) for the periods December 30, 2006, 2007, 2008 and 2009 to determine if the beneficial conversion feature is applicable to the Company’s convertible notes issued and outstanding during the respective periods and (2) determining the acquisition value of G2X, which the Company acquired on June 5, 2009 and (3) potential value of the Company for the purpose of establishing a pre-money value prior to a capital raising event.

Grannus Financial developed a valuation based on the following financial data provided the Navagate:

1. The Company’s unaudited Financial Statements as of December 31, 2006, 2007, 2008 and 2009 provided in Appendix A of the Disclosure Statement (Unaudited Financial Statements: Statement of Income and Expenses, Statement of Financial Condition, Cash Flow Statement)
2. The Company’s Financial Projections for the years 2010, 2011, 2012 and 2013 provided in Appendix B of the Disclosure Statement (Financial Projections: Statement of Income and Expenses, Statement of Financial Condition, Cash Flow Statement) and
3. The Company’s Schedule of Convertible Notes provided in Appendix C of the Disclosure Statement (Convertible Note Schedule)
4. The Company’s Schedule of Options provided in Appendix D of the Disclosure Statement (Option Schedule)
5. Comparable Company Analysis provided in Appendix E
6. Asset Purchase Agreement between G2X, Inc. and Navagate, Inc. provided in Appendix F
7. G2X Financial Statements provided in Appendix G
8. Discounted Cash Flow Analysis provided in Appendix H

Grannus Financial also met with certain members of senior management of the Company to discuss operations, capital structure considerations, and future prospects; reviewed publicly available financial data and market value of public companies that Grannus Financial deemed generally comparable to the operating businesses of the Company; considered certain economic and industry information relevant to the Company’s operating businesses; and conducted such other studies, analyses, inquiries and investigations as Grannus Financial deemed appropriate.

With respect to the financial data provided by Navagate, Grannus Financial assumed that such historical and projected data have been reasonably prepared on the basis of generally accepted accounting principles (GAAP) adopted by the Financial Accounting Standards Board and best

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currently available estimates and good faith judgments of the Company as to its future operating and financial performance.

The Valuations are based on numerous qualifications and contingencies, including but not limited to: (i) the Company's ability to achieve all aspects of the Financial Projections, (ii) the state of the capital and credit markets as of the Event date, (iii) the Company's ability to raise and maintain sufficient capital to implement the business plan on which the Financial Projections are based, (iv) no material adverse change to the industry or in the Company's operations due to economic slowdowns or key personnel changes, (v) changes in technology and service methods that render the Company's product and service offering obsolete and (vi) the effect of exogenous events such as terrorist attacks, as well as other unexpected events not forecasted by the Company.

SUMMARY CONCLUSIONS

Enterprise Value of Navagate, Inc. for the years 2006, 2007, 2008 and 2009:

Estimated Enterprise Value	2006	2007	2008	2009
Based on Peer Group Current Market Multiples	\$14,883,123	\$11,841,794	\$4,730,928	\$16,262,429
Based on Peer Group Historical Market Multiples	\$12,878,960	\$11,066,739	\$2,460,060	\$18,040,182
Weighted Average	\$13,380,001	\$11,260,503	\$3,027,777	\$17,595,744

Estimated Acquisition Value of G2X

The cost of Navagate's acquisition of G2X represented a multiple of 3.2x to trailing twelve month revenue. This multiple represented a 25% discount to the average multiple to software acquisition made during this period and a 30% discount to its Peer Group Multiple. Taking into consideration G2X's financial condition at the time of acquisition, which is offset by the list of quality customers the company succeeded in gaining, we believe that a discount to fair market of 25% - 30% is appropriate considering the industry projections of continued growth in this sector.

Potential Enterprise Value of Navagate, Inc.

Estimated value based on:	
Multiple to Forward Revenue	\$20,052,975
Multiple to Forward Earnings	\$17,639,200
Discounted Cash Flow Value	\$20,507,691
Blended Estimated Future Value	\$18,997,660

3.2x



Navagate, Inc.

OTC BB*:	t.b.a		
Employees:	200+		
Market Cap*:	\$31,400,000		
Shares Outstanding*:	31,400,000		
Public Float*:	7,100,000		
Debt-to-Equity:	7%		
(In \$000's)	2007	2008	2009
Revenue	\$ 5,495	\$ 5,029	\$ 7,058
Net Income/(Loss)	\$(2,461)	\$(4,742)	\$(1,832)
EBITDA	\$(1,252)	\$(3,530)	\$ (572)

*Upon completion of contemplated transactions

Navagate's Sales Force Automation (SFA), distribution optimization solutions re-defines "customer profiling". The company's web tools aggregate disparate enterprise data to provide a complete, 360 degree view of customers, and combines it with automated business processing to maximize revenue opportunities. It differentiates its product by including intelligence, process automation and productivity drivers in its solutions. The company currently focuses on the insurance industry, but intends to also target the wealth management, asset management and banking industries. Its client successes include HSBC, New York Life, Mutual of Omaha and Mass Mutual. Navagate is lead by a strong management with a proven track record in building value.

Investment Highlights:

- **Highly experienced management team with a proven track record for growing revenue and building shareholder value**
- **Five years developing cutting-edge sales force automation solutions that have been embraced by leading Fortune 100 companies**
- **Solutions focused on an industry that continues to experience growth during economic downturn**
- **Raising capital to build-out worldwide sales and marketing effort**
- **EBITDA positive and reaching profitability shortly**

SUMMARY

Navagate provides Sales Force Automation Solutions ("SFA") primarily for financial services companies that sell complex financial products through retail or wholesale channels. The Navagate web tools allow for the aggregation of disparate enterprise data that would be unavailable in a client-server system. This more complete view of the customer can then be combined with automated business processes and "auto suggest" for products based on customer

profiling, thereby increasing the productivity and awareness of revenue opportunities for the client representative. The Navagate solutions take customer relationship management tools (CRM) and Sales Force Automation Tools to a deeper level by creating intelligent client management. The Navagate representative has access to a full scope of the client characteristics as well as being provided with suggested and or required courses of action (based on regulatory or other).

Company Background

Over the past five years, Navagate has been building a world-class Java web based platform. During this period, the company (Colina Insurance of the Bahamas, Mennonite Mutual Aid, the wholesale group of Mass Mutual and Thrivent, a multi-billion dollar Lutheran fraternal). Unlike many companies that build a technology product, get a few reference accounts and then dramatically expand its sales force, the company decided that before it added that expense with uncertain return, the product should have more content and depth and it should have a stronger reference list of customers.

In 2007 Navagate delivered a strategic and very successful deployment in the Hong Kong branches of HSBC Asia. Also that year the company began work on New York Life's retail agency platform for 12,500 agents; the company with the largest number of Million Dollar Round Table Agents in the world. In late 2007 Navagate sold Mutual of Omaha, another market leader. With those two projects successfully implemented in the first quarter 2009, company management decided it was time to move aggressively in the market.

Navagate currently have one sales rep each in the US, Hong Kong and India. Over the next two years its plan to add eight sales reps (2-3 more in the US, 2 in Asia, 2 in Europe and 1 in Latin America).

PRODUCT/SERVICES

Agility

The Agility system is an open architecture design that provides a window into all aspects of the client relationship by providing intelligent interpretation of enterprise data. It is built on a sophisticated, web-based CRM and SFA platform allowing for the ability to integrate disparate enterprise data silos to create a 360-degree view of the customer, standardize and automate the processes of the most

sold and delivered an earlier version of Agility to divisions of large companies and a number of middle market companies productive salespeople, and automate time-consuming interdepartmental tasks that inhibit face-to-face selling time. The solution platform and deep industry expertise helps to create a consistent, best practice approach for sales force productivity across the broak organization, increasing individual selling time by 25-40%. The net result: enhanced customer acquisition and more effective cross-selling.

With its built-in integration framework and use of open standard technologies, Agility easily and quickly aggregates data buried in legacy systems to create knowledge about customers that can then be leveraged through powerful, industry focused, automation and productivity tools. In three short years Agility has become a leading solution for Financial Services firms looking to increase revenues through more effective targeting of and marketing to prospective clients and distribution partners. Regardless of size or type of distribution model, Agility provides the right mix of enterprise class technology, industry relevant features and cost profile to enable organizations to realize high ROI's through both revenue enhancement and cost reduction. Returns are rapid as Agility is up and running and integrated with 10-15 back end systems in 180-270 days as opposed to 2-3 years in older client server systems.

Navaya Computer Sciences

Navaya is an outgrowth of Navagate's experience in building and managing a remote development operation in Minsk, Belarus for the Agility business. Navaya provides strategic consulting and development services targeted to small commercial software companies. Product and Project Management consulting; Organizational Change Management; Development Best Practices; Core Engineering Support are some of the services provided by Navaya that enable these companies to accelerate growth by

achieving software manufacturing scale cost effectively.

and within a year, it secured 10 clients and a \$2,000,000 run rate. The group has been profitable from the onset.

MANAGEMENT

Greg Rorke - Chief Executive Office - A seasoned executive with a specialty in emerging growth companies, special situations and turnarounds; previously president of Danskin where he was responsible for the company's turnaround; CEO of Kaplan Educational Centers where he led the successful two-year turnaround effort; bachelor of Arts from Brown University and MBA from Harvard Graduate School of Business Administration.

Wayne S. Kaplan - President & COO - computer industry executive; led Symantec's Americas Region corporate sales effort; previously with Wang Laboratories and Morris Decision Systems; served as vice president of sales for Business Evolution; studied computer sciences at SUNY (Geneseo) and NY Institute of Technology and attended Stanford University Executive Institute.

John C. Lanstine - Senior Vice President, Finance and Administration - Previously served as vice president and controller of AD/SAT; also served as Director of Financial Planning during an 18 year tenure at Associated Press.

Tom Hogan - Senior Vice President, Presales and Consulting - over 25 years of computer industry experience in systems and software design, development and management served as the National Director of Technology for the Financial Planning Solutions (FPS) practice at PricewaterhouseCoopers; Boston Director of Operations for the networking and systems integration firm, SSDS; graduate of the University of Maryland.

Navaya began 2007 with three clients and a \$300,000 annualized revenue run rate. Todd Lenox joined the Company as general manager

Robert Dennen - Senior Vice President, Client Solution, Americas - Over 20 years of experience as a technology investor, consultant, and entrepreneur; CFO and Chief Technology Officer for Prism eSolutions, a provider of internet-based compliance and knowledge management software and services; VP of New Product Development for barnesandnoble.com; spent nine years at Anderson Consulting covering telecom projects; Bachelor of Science in economics from the Wharton School of Business.

Sergey Opanasets - Vice President, Research and Development, CTO - 10 years of professional experience in designing and managing information technology systems; served as an Information Technology Manager at The United Nations Children Fund and The United Nations Development Program designing and managing IT infrastructures for Field Offices in the Central and Eastern Europe region; M.S. in Information Technology from Belarusian State University.

Todd Lenox - Senior Vice President, Global Client Services - 18 years of management consulting and services industry experience with large enterprises and commercial software companies in the U.S., Europe and Asia; President of VMOplus, Inc (acquired by Symphony Services); 12 years with Accenture and Price Waterhouse Management Consulting, delivering enterprise-wide custom and packaged software solutions to Fortune 1000 clients; undergraduate degree from Connecticut State University and an M.B.A. from Hartford.

Brad Emery - Senior Vice President, General Manager for Asia Region - 17 years financial services experience with 8-years in credit risk management; worked 8 years at Prudential (UK) where he specialized in the

distribution of Life Insurance Products across Asia.

PricewaterhouseCoopers, covering technology solutions development for the financial services industry.

MARKET

Despite slow sales due to the economy, organizations continue to invest in sales force automation (SFA). With shrinking sales resources and market opportunities, investing in technology to automate critical sales processes may be the only alternative to still meet sales targets. SFA vendors that identify niche market areas, recognize current and future selling processes that customers are most like to deploy and offer solutions that are robust, flexible and easy to implement and integrate are inducing market adoption.

Navagate has focused its solutions offering on the financial services industry and, initially, on the insurance industry. Global insurance premiums grew to \$4.1 trillion in 2007. North America, Europe and the Pacific Rim accounted for approximately \$3.6 trillion in written premiums in 2008. On average, carriers spend \$600 per agent providing SFA, customer relations management, sales management, and sales screening software. There are approximately 850 carriers, worldwide, with over 1.5 million agents. At \$600 spend per agent annually, the potential

This Executive Summary is furnished for the purpose of providing certain information about an investment opportunity. This Executive Summary shall not constitute an offer to sell or a solicitation of an offer to buy any security and shall not constitute an offer, solicitation or sale of any securities in any jurisdiction. In making an investment decision, investors must rely on their own examination of the company and the terms of the offering, including the merits and risks involved. This publication does not address specific investment objectives, financial situations or particular needs of any recipient. The information herein is provided for general information purposes only and should not be considered an individualized recommendation. The security or industry discussed in this report may not be suitable for all investors. Prospective investors should not construe the contents of this memorandum as legal, tax, investment or accounting advice, and each prospective investor is urged to consult with its own advisors with respect to legal, tax, regulatory, financial and accounting consequences of its investment in the company. The delivery of this Executive Summary does not imply that any information contained herein is correct as of any time subsequent to the date of this report.

Matters discussed in this Executive Summary contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. When used in this document, the words "anticipate," "believe," "estimate," "may," "intend," "expect," "proforma" and similar expressions identify such forward-looking statements. Actual results, performance or achievements could differ materially from those contemplated, expressed or implied by the forward-looking statements contained herein. These forward-looking statements are based largely on information obtained from the company as well as third party sources and are subject to a number of risks and uncertainties. These include, but are not limited to, risks and uncertainties associated with: the impact of economic, competitive and other factors affecting the Company and its operations, markets, product, and distributor performance, the impact on the national and local economies resulting from terrorist actions, and U.S. actions subsequently; and other factors to numerous to list.

Perumal Sundaram - Vice President, Global Client Engineering - Over 14 years in technology consulting; served as senior manager in tax technology practice of addressable market for SFA software is \$900 million.

Navagate has already deployed its solutions to the wealth management industry and is developing solutions for the banking and asset management industries, which, combined, provide a multi-million dollar market.

CAPITALIZATION

(In 000's)	Shares	
Management/Pre-Deal Equity	15,900	46%
Convertible Note Investors	16,800	49%
All Others	<u>1,500</u>	5%
Total	<u>34,400</u>	100%

USE OF PROCEEDS

The company intends to raise up to \$12 million:

Repayment of Debt	\$ 5,000,000
Increase Sales/Marketing	
Staff in US and Asia	1,000,000
Expand Offshore Facilities	500,000
Working Capital	<u>5,500,000</u>
Total	<u>\$12,000,000</u>

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CONFIDENTIAL

	2006	2007	2008	2009E	2010E	2011E	2012E
<i>Revenue</i>	\$ 3,900	\$ 5,495	\$ 5,226	\$ 7,058	\$12,063	\$18,872	\$32,186
<i>Expenses</i>	\$ 5,807	\$ 7,956	\$ 9,655	\$ 8,890	\$13,174	\$15,577	\$21,312
<i>Net Income/(Loss)</i>	\$(1,907)	\$(2,461)	\$(4,740)	\$(1,832)	\$(1,111)	\$ 3,295	\$10,875
<i>EBITDA</i>	\$(1,252)	\$(1,414)	\$(3,530)	\$ (572)	\$ 909	\$ 4,502	\$11,825

3.30

EXHIBIT #4

Documents and email validation from 2009 demonstrating responsibilities of Vermont office and its employees and the team in general.

1. MiddSec Development materials emailed from Robinson to all.
2. Navagate Gantt Chart from 2009 made by Robinson includes many members. Escrow accounts, PVT placement ownership, etc. Shaw and WMD took on many additional roles as demonstrated prior. (Teicher joined post this chart, but pre deal)
3. Post Navagate continued validation of "direction"
4. Legal team continued participation (Which we all relied on)

Subject: MidSec Strategic development Materials for discussion

Date: Wednesday, March 31, 2010 at 8:27:34 AM Eastern Daylight Time

From: James Robinson

To: Greg Osborn, Charley Krause, Mike Andrews, Thomas H. Lovell Jr
(tom.lovell@lovellpartnersllc.com)

Gentlemen: Attached are a series docs which have been in various stages of draft and discussion since our relaunch last spring. Lest you think we have been idle over the last few quarters, it is important to note that we have focused on deal development to generate revenues and on a solid regulatory platform in compliance with the continued tightening of FINRA rules & Standards.

Core processes

Strategy and Org Dev – you can see we have evolved the model fairly significantly in development and that we are about half way through implementation. The various advisors, operating partners and strategic partners have all signed on to an affiliation. We have not signed advisory agreement yet, but have a final version of advisory agreement (attached).

Deal Compensation – Attached is payout break down on the Private Equity deals which Greg has evolved with considerable thought toward balancing individual reward and team play.

Deal Diligence process - we have standardized on diligence docs and process and have file sharing established. We have discussed need for better screening and pipeline management, but have not implemented yet. We have implemented Monday calls to very good effect though our documentation of these call and integration with action pan and pipeline have been less effective.

Deal Management – this is a process that had been handled ad hoc that we have come a long way with in the last few months with Max taking over responsibility on the SFB project with the expectation of codifying for other deals.

Deal Record Keeping – We have both electronic and have centralized hardcopy in Vermont. Compliance with agreed procedures is coming up to speed quickly with Bacterin and navigate bridges.

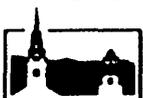
Regulatory and Compliance operating manual & Processes – not included since we seems to be focusing on Strategy and org dev not compliance and regulatory.

- WSP
- Operating and Procedures manual (bible)
- Sales supervision
- Compliance – blue-sky, sales docs, etc.

Financials

- Monthly financial
- Quarterly FINRA reporting
- Annual Audit

Jim Robinson
Managing Member



**Middlebury
Group**

The Middlebury Group LLC

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MIDDLEBURY GROUP DEAL MANAGEMENT

Stage of Deal Management	Category	Midd Rep Action Item (MR)	Max Support Action
Document Management	Diligence Documents	MR gathers all diligence documents and saves them in dropbox, located at Midd Sec>active deals>*firm name*>diligence	<ol style="list-style-type: none"> 1. Prepare a document folder that contains all important diligence documents. 2. Use diligence checklist to cross check all docs - work with MR who gathered dili. 3. Get approval from lead rep. that all necessary docs are available.
	Target likely Investors and protect for the SP for 30 days	<p>The referral source/SP email Max with the name and necessary data about the potential investors</p> <ul style="list-style-type: none"> • Firm /Company name • Email • Primary phone • Mailing address • State in which investor resides (blue sky) <p>Lists of potential investors must be realistic. Rule of thumb: no more than 25 initial protected investors.</p>	Confirm via email to Sales person and note conflicting potential investors (i.e. if two SP list the same potential investor)
Qualifying Prospects	Confirm interest, liquidity, capacity to engage	<p>SP can email investor directly w the exec summary, MUST CC MAX so he can note in the tracking report</p> <p>If the SP doesn't have the exec summary, contact Max</p>	Note in tracking report that potential investor received the executive summary
	Investor wants more information	<ol style="list-style-type: none"> 1. If potential investor wants more information, SP will request from Max that he send the pre-approved additional information. 	<ol style="list-style-type: none"> 1. Pre-approved additional information upon request - CC SP 2. Email SP up-to-date Sales Notes version of PPT (weekly)
Qualifying Intentions	Determine if to proceed - terms are non-negotiable	<ol style="list-style-type: none"> 1. Follow up call to confirm investor's intentions - likely investment amount 2. Email Max the investors status - intending to invest or passing 	
Pitch	Answer most informational and historical Qs	Request conference call with SFB Board Director for investor via email from max with 3 time slots	Set up call with investor and SFB Board Director
	Meeting Request	Request meetings during road shows for investors	Manage the road show calendar for investors. Publish daily
	Offering Docs	Request Max to send out offering docs	Send out term sheet.
Due Diligence	Illustrate our preparedness	Request Max to send offering docs and diligence documents	<ol style="list-style-type: none"> 1. Send out offering docs 2. Be prepared to distribute all diligence docs upon request
	Protect Concept	Request Max to send NDA (<i>will use investor NDA if necessary</i>)	Send out NDA or approve investor NDA
Closing	Indication of Interest	<ol style="list-style-type: none"> 1. Send NBII to investor, MUST CC MAX, or request 	<ol style="list-style-type: none"> 1. Send NBII <p style="text-align: right;">4.2</p>

		Max to send NBII	
	Signed Sub Docs	Return completed NBII via fax or scanned email to Max	<ol style="list-style-type: none"> 1. Add investor in warrant queue 2. Send out confirmation email to SP and investor

MATERIALS

PUBLIC MATERIAL

Executive Summary | Pitch Book | Electronic Overview | FoF Presentation | Private Equity Presentation

PRIVATE MATERIAL

Due Diligence Checklist |

IT SERVICES

CONTACT INFORMATION

Max Levine

Middlebury Group
maxlevine@middsec.com
 (o) +1.802.545.2319
 (f) +1.802.329.2124

1043 Sheep Farm Road,
 Weybride VT, 05753 USA

4.3



DEAL SET UP CHECK LIST

THIS CHECKLIST MUST BE COMPLETED IN ORDER TO INITIATE A PRIVATE PLACEMENT

Complete the following checklist by filling in the "Response" column appropriately. Save completed form along with all requested information and documentation to the deal-specific folder in Dropbox.

Task	Detailed Explanation	Response
1) Deal Manager	Who is the running the deal and taking top level responsibility?	
2) Company Information	Please provide firm name, tax ID, address, principal contact, primary phone, email, and fax.	
3) Syndication	Provide Max with a list of syndicates with proper Name/Firm, Phone, Email, Physical Address and/or list of internal sales people.	
4) Weekly Conference Call	Set a deal-specific conference weekly conference call for all reps – list day and time in column to right	
5) Launch Date	Expected launch date	
6) Company Approval	Documented sign-off from the company that we have approval to use their company documents and that their documents are up-to-date and accurate. Email confirmation – saved into dropbox.	
7) Marketing Materials	Provide Max with: <ul style="list-style-type: none"> • Executive Summary • Investor Presentation / Pitch book • Other public docs, including marketing and sales presentations 	
8) Due Diligence	Make sure you have a copy of the Midd Sec Due Diligence Checklist and accept responsibility for accumulating these documents. Can work with make to gather dili from prospective company.	

4.4

MIDDLEBURY GROUP DOCUMENT MATRIX

Document	Privacy Level	Creation	Distribution Methods	Whose Responsibility
Syndication Agreement	Private	Greg	Greg, Max	Max
NDA	Private	Lead Rep and Legal	Max	Max
Executive Summary	Public	Prospective Company	Website, SP distribution, Max distribution	Max
Investor Introduction	Public	Prospective Company	Website, SP distribution, Max distribution	Max
Company Presentation	Public	Prospective Company	Website, SP distribution, Max distribution	Max
Diligence Documents	Private	Gathered by lead rep using the due diligence checklist then sent to Max	Max	Max
Due Diligence Check List	Private	Max - Needs input from senior reps.	Max	Max
Terms Sheet	Private	Greg, then sent to Max	Max	Max
Subscription Documents	Private	Prospective Company Legal Counsel	Max	Craig
Wire Instructions	Private	Craig	Craig	Craig
Investor Tracking Report	Private	Max	Dropbox	Max
Sales List	Private	SP send name, primary address, phone (if possible) of all investors offered the deal to Max	Dropbox	Max
Escrow Documentation	Private	Out of Firm	Max, Craig	Craig

Middlebury Group

Tasks List

Name	Start	End	Milesto	%	Resources	Notes
Sign LOI NewCO and Navigate	9/14/09	9/19/09	false	0		Chcek check
Agree to timeline	9/14/09	9/17/09	false	0	Team	
Select auditor and begin audit	9/21/09	10/31/09	false	0	Zoe Zappulla	
Complete PVT placement agreement	9/14/09	10/31/09	false	0	Greg Osborn Jim Robinson Zoe Zappulla	
Navigate-internal cap based on premonney of \$20mm	9/14/09	9/23/09	false	0		
Completion of proposed post funding cap table	9/14/09	9/23/09	false	0	Greg Osborn Zoe Zappulla	
Complete Bridge Term Sheet	9/14/09	9/23/09	false	0	Greg Osborn	
Create waiver with current senior lenders for bridge	9/14/09	10/2/09	false	0	Greg Osborn	
Execute waiver for lenders	10/2/09	10/22/09	false	0		
Set up escrow with HSBC	9/14/09	9/16/09	false	0	Team	
Select escrow agent for bridge and closing	9/14/09	9/16/09	false	0	Team	
Finalize bridge documents	9/14/09	10/2/09	false	0	Greg Osborn Zoe Zappulla	
Close bridge funding \$1.25mm	10/2/09	10/22/09	false	0	Zoe Zappulla Team	
Finalyze Due Dill for lead	9/14/09	10/31/09	false	0	Greg Osborn Zoe Zappulla	
Identify and select CFO	9/21/09	11/18/09	false	0	Greg Osborn Charley Kraus	
First draft of final deal sheet	9/14/09	9/23/09	false	0	Greg Osborn Zoe Zappulla	
Identify & Select Corp. Legal firm for PubCo	9/14/09	11/11/09	false	0	Team	
Initialize liquidation of stock	9/14/09	10/2/09	false	0	Team	
Present for approval potential investors and strategy	9/23/09	10/9/09	false	0	Zoe Zappulla Team	
Intro of Board Selections	9/21/09	11/18/09	false	0	Team	
Schedule road show	10/6/09	12/3/09	false	0	Team	
DueDill Q&A with potential investors	10/6/09	12/3/09	false	0		

L1. 6

Friendly Road Show	10/13/09	10/27/09	false	0	
Official Road Show	10/20/09	11/18/09	false	0	
Final Doc review & execution by company and Investors	10/27/09	11/10/09	false	0	Greg Osborn Zoe Zappulla
Bridge increase/private equity pursuit	11/16/09	12/12/09	false	0	Greg Osborn
Simultaneous close of funding & merger with PubCo 58 listing	11/20/09	11/21/09	false	0	
Investor relations, PR, conference, IR, Analyst, Interviews	1/1/10	2/12/10	false	0	Team
Effect SEC registration for new investors	1/15/10	1/22/10	false	0	
Investor relation program	2/9/10	8/24/10	false	0	
Quarterly Investor calls	5/17/10	5/22/10	false	0	
NASDAQ listing	9/1/10	8/29/12	false	0	
Forced conversion of debt or prepayment	9/1/10	8/29/12	false	0	
Cashing out	9/14/10	9/13/11	false	0	

4.7

Subject: Agenda for 5p call

Date: Wednesday, October 19, 2011 at 3:48:53 PM Eastern Daylight Time

From: Jim Robinson

To: GREG OSBORN, Mike Teicher

Open items:

Middsec Operations

Snapshot

Navagate

Middsec Op agreement

CK Waiver

Compliance

Legal cost mgt

Reps

Facebook

Office

Sales - Max & Chris

PNLs

Jim Robinson



**Middlebury
Group**

Middlebury Securities LLC

Middlebury Asset Advisors LLC

jrobinson@middsec.com

1043 Sheep Farm Road

Weybridge, Vermont 05753

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(fax) +1 802 329 2124

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4.8

Subject: Due Dili List

Date: Wednesday, November 23, 2011 at 11:16:24 AM Eastern Standard Time

From: Craig Sherman

To: Chris Shaw, GREG OSBORN, Jim Robinson

Regards,

Craig J. Sherman



Middlebury Securities LLC

FIN/OP Manager

www.themiddleburygroup.com

Middlebury Capital Svc

Operations Manager

1043 Sheep Farm Rd., Weybridge VT 05753

Office +1 802 458 0369 Mobile +1 802 922 1854 Fax +1 8024193738

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4.6

Subject: Middsec WMD Open Items List

Date: Tuesday, July 12, 2011 at 8:36:33 PM Eastern Daylight Time

From: Gerald Coviello

To: GREG OSBORN, Jim Robinson, Mike Teicher, Donna Schulze, Chris Shaw, Charley Krause

CC: Rory Deutsch, Sandip Bhattacharji, Paul Weber

Priority: High

The following is a status list for Fisker, Rymed, Nuvel and Navagate. I'm sure there are plenty of other action items/open issues but it was a busy day and I wanted to make sure that we are all on the same page so that we can move all of the active matters forward efficiently.

Regards,

GC

Item #	Action Item	Responsibility	Status
FISKER			
1	Circulate AEI/Middsec Sub Agent Agreement	WMD	Circulated to Middsec team and to Dave Schmidt at AEI
2	Prepare Sub-agent Agreement For use by Middsec Sub-agents	WMD	Circulated to Middsec team for review and comment. Document contains a non-circumvent in Sub-agent Agreement and additional language in attached NDA
3	NDA with Axiom	WMD	I will send Axiom Item #2 for execution following Middsec review and sign-off
4	Member Acknowledgement Form	WMD	WMD to incorporate language in the SPV package notifying investors that they will be required to send a Member Acknowledgement (which can be done by email) which confirms that the Member has had an opportunity to review all materials on the data site regarding the Fisker investment.
5	Fisker Escrow Agreement	WMD	WMD sent agreement to Citibank for review. Teicher has account opening paperwork to complete
6	Blue Sky Filings	WMD/Middsec	As discussed on today's call, WMD has the NY and Form D filings ready. Upon completion of SPV 4 documents, M. Teicher to come to WMD to sign any remaining docs and to bring blue sky checks to complete filing. As per discussion with J. Robinson, Middsec to handle all blue sky filings for other states.
RYMED			
1	Send revised docs to Paragon for	WMD	Done.

4-10

	comment		
2	Background Checks on Management	Middsec	Open. Discuss service provider options with G. Osborn.
3	Patent Litigation Review	Middsec	Open. Middsec to get estimates and engage a service provider/law firm to conduct a review of the current patent litigation.
NUVEL			
1	Complete paperwork from Nuvel investment	WMD	Paul Weber working on this with Jay Elliot
2	Updated UCC-1 Financing Statements	Nuvel/McMillan/Middsec	Nuvel needs to work with collateral agent to make sure UCC-1's are updated and USPTO security filings are made. As discussed, WMD is not in position to monitor UCC filings which is why we don't do it. Paul Weber to introduce CSC Lien Services to Nuvel/Collateral Agent.
NAVAGATE			
1	AR Factoring/Sale or Common Stock Raise	Middsec/WMD	Greg Osborn to call G. Rorke on timing of audit and investor interest in factoring. WMD and Middsec to discuss documentation i.e. letter to investors tomorrow. Greg O—I suggest we have a call tomorrow on taxes/audit matters.

Gerald Coviello
Wollmuth Maher & Deutsch LLP
500 Fifth Avenue, 12th Floor
New York, New York 10110

T: 212-382-3300
F: 212-382-0050
www.wmd-law.com

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4, 11

Subject: Re: Middlebury Due Diligence Follow Up
Date: Tuesday, September 6, 2011 at 11:19:06 AM Eastern Daylight Time
From: Glenn Rink
To: Chris Shaw
CC: GREG OSBORN, Gerald Coviello, Lane Castleton

Lane can give you the updates you need on all of the items.

Please copy him on all emails.

Thanks

Glenn R Rink
President
AbTech Industries, Inc
4110 North Scottsdale Rd
Suite 235
Scottsdale, AZ 85251
O- 480.874.4000
F- 480.970.1665

Please excuse any typos or gramtical errors...
Sent from my Verizon Wireless BlackBerry

From: Chris Shaw <chris@midsec.com>
Date: Tue, 6 Sep 2011 11:02:42 -0400
To: Glenn Rink<grink@abtechindustries.com>
Cc: Greg Osborn<greg@midsec.com>; 'Coviello, Gerald'<GCoviello@WMD-LAW.com>
Subject: Middlebury Due Diligence Follow Up

Glenn,

I hope you had a good Labor Day.

Once you're settled in, the following items need to be addressed and/or discussed:

- Gallagher & Kennedy Letter of 7/21/09- What is the EPA litigation status? Is the estimated penalty still believed to be \$62,000?
- Country Mutual Insurance Company and Country Life Insurance Company Notes- a 2/14/11 notification letter was sent saying the notes were in default and that \$523,000 was now due and payable. I believe these are the Madoff notes and have been retired but please provide/confirm the status.
- Is there an agreement signed with Lockheed Martin? If so, please provide as it was not in the Due Diligence books.
- Please provide a copy of the board resolution approving the bridge note transaction.
- **Revised forecasts- any updates at all?**
- **We need you to execute and return the attached signature page from the Security Agreement in order to perfect the liens on the patents and trademarks.**

If you have any questions, please don't hesitate to call. If not, your prompt attention to this matter is greatly appreciated.

Regards,
Chris

4.18

Subject: RE: Nuvel Offering Documents

Date: Friday, March 16, 2012 at 1:40:20 PM Eastern Daylight Time

From: Stefanie Lin

To: Donna Schulze

CC: GREG OSBORN

Attached are:

(1) PPM

(2) Offering Booklet

(3) Blank signature pages

Let me know if you have any comments.

Very truly yours,

Stephanie Lin, Esq.

OFSINK, LLC

900 Third Avenue, 5th Floor

New York, NY 10022

Telephone 212-371-8008, ext. 119

Facsimile 212-688-7273

slin@golawintl.com

www.golawintl.com

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From: Donna Schulze [mailto:DonnaSchulze@midsec.com]

Sent: Friday, March 16, 2012 12:39 PM

To: Stephanie Lin

Subject: W-9

Stephanie,

Please add the attached W-9 to the Nuvel Signature Page PDF.

Thanks,

Donna Schulze



**Middlebury
Group**

170 East Ridgewood Ave

Ridgewood, NJ 07450

Cell: [REDACTED]

9, 13

Subject: iNetXcel Inc.

Date: Friday, February 5, 2010 at 5:47:07 PM Eastern Standard Time

From: Gerald Coviello

To: Charley Krause, Greg Osborn

Guys,

Attached please find the following documents for iNetXcel Inc.:

1. Term Sheet.
2. Shareholders Agreement.
3. Escrow Agreement.
4. Subscription Agreement.
5. Bylaws.
6. Certificate of Incorporation.
7. Founder Stock Purchase Agreement & 83(b) election.
8. Investor Questionnaire.
9. Promissory Note.
10. Security and Collateral Agent Agreement.
11. Sole Incorporator Resolution.

This is a full package of formation documents and investor documents for the bridge. Please let me know if there have been any investor comments on the term sheet so that I can revise the attached documents accordingly. Call me with any questions.

Regards,

Gerald

Gerald Coviello
Wollmuth Maher & Deutsch LLP
500 Fifth Avenue, 12th Floor
New York, New York 10110

T: 212-382-3300

F: 212-382-0050

www.wmd-law.com

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L. M

Subject: RE: PRIORITY NEXT STEPS

Date: Wednesday, April 7, 2010 at 4:50:21 PM Eastern Daylight Time

From: Gerald Coviello

To: Charley Krause, Greg Osborn, Mike Andrews

Here is a short form engagement letter we have used for Middsec in the past.

Gerald Coviello
Wollmuth Maher & Deutsch LLP
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New York, New York 10110

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-----Original Message-----

From: Charley Krause [<mailto:Charley@middsec.com>]

Sent: Wednesday, April 07, 2010 3:33 PM

To: Greg Osborn; Mike Andrews

Cc: Coviello, Gerald

Subject: RE: PRIORITY NEXT STEPS

Send me template and I will work it with Mike for your review.

Charley Krause
The Middlebury Group
646-515-8486
Charley@middsec.com
www.middleburygroup.com

Ridgewood, NJ 07450

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4.15

4.15

Subject: Jabuary rent and phones

Date: Wednesday, February 15, 2012 at 4:02:38 PM Eastern Standard Time

From: GREG OSBORN

To: Craig Sherman

Craig

I assume from Feb one. The new rules apply. But that you paid January rent and and phones.

Also. Considering the 2.5% is still NOT decided. I feel a good first step is to pay 1/2 of my legal for Finra at this point and we can pay the balance.

--
Gregory J. Osborn
Co-Founder Managing Partner.
Middlebury Securities,
L.L.C. Greg@middsec.com
Office 201 670 4386
Cell 212 960 3888
EFax 646 514 3980
170 East Ridgewood Ave
Ridgewood, NJ 07450
www.middleburygroup.com

The problems we face today are there because the people who work for a living are outnumbered by those who vote for a living.

"A friend"

"It's Tough to make predictions, especially about the Future."

Yogi Berra

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4, 16

EXHIBIT #5

Tax Lien Exhibits. I also in Deitl investigation report that SEC has.

1. IRS public records 4/19/11
2. Dietl report
3. Approximate discovery timeline emails
4. CFO email of debts.

Subject: (none)

Date: Thursday, April 29, 2010 at 2:31:38 PM Eastern Daylight Time

From: Jack Langstine

To: Gerald Coviello, Greg Osborn

CC: Greg Rorke

In the balance sheets for the attached proformas there is an entry for Debt. In the 10/19 file that was \$2.821mill at 12/31/08 and it was to eliminated by 12/31/09. Some was to be paid in cash and some (approx \$1.5m of Ergo) exchanged for stock.

In the revision 2/24/10. there is still \$1.350m on the balance sheet.

The Ergo is still converted to stock. The attached Cap table reflects the \$1.5 of Ergo Training shares.

JACK

FROM
CFO
(NOT CHARGED)

Faint, illegible text at the top of the page, possibly a header or title.

Faint, illegible text in the upper middle section.

Faint, illegible text in the upper right section.

Faint, illegible text in the middle section, possibly a paragraph or list.

Faint, illegible text in the middle right section.

Faint, illegible text in the lower middle section.

Handwritten text in the bottom left corner, possibly a signature or date. The text is written in a cursive style and is difficult to decipher. It appears to contain the words "MAY 1953" and "MAY 1953" written twice, once above the other.

Subject: Good Standing Certificate

Date: Monday, April 26, 2010 at 12:24:21 PM Eastern Daylight Time

From: Gerald Coviello

To: Greg Rorke, Jack Langstine, Greg Osborn

Guys,

Since WMD is now going to issue a legal opinion I went ahead and ordered a good standing certificate which we would need to do as part of the opinion.

As you will see in the attached, the Company is not in good standing because it has not paid Delaware franchise taxes. In order to get in good standing,

the company will have to pay its franchise taxes plus penalties and interest and file a certificate of revival which we can assist with. Jack, have you received

any correspondence from the State of Delaware/Division of Corporations recently regarding franchise taxes? If so, please scan and email to me for

review. Thanks.

GC

5.1

Subject: Fw: Navigate Good Standing

Date: Monday, April 26, 2010 at 11:48:38 AM Eastern Daylight Time

From: Greg Rorke

To: Greg Osborn

We are working the DE item, but it is not going to be more than a few thousand \$\$-- not \$300K +

----- Forwarded by Greg M Rorke/G2X on 04/26/2010 12:49 PM -----

From: Jack Langstne/G2X
To: "Coviello, Gerald" <GCoviello@WMD-LAW.com>
Cc: Greg M Rorke/G2X@G2X
Date: 04/26/2010 12:46 PM
Subject: Navigate Good Standing

5.2

Form **668-A(ICS)**
(Rev. July 2002)

Department of the Treasury - Internal Revenue Service

Notice of Levy

DATE: **04/19/2011**

TELEPHONE NUMBER

REPLY TO: **Internal Revenue Service**
K. SUN
110 WEST 44TH STREET
NEW YORK, NY 10036

KAREN

OF IRS OFFICE: **(212)719-8072**

NAME AND ADDRESS OF TAXPAYER:

NAVAGATE INC
130 W 42ND ST
NEW YORK, NY 10036-7902

TO: **MIDDLEBURY SECURITIES**
202 MOUNTAIN AVENUE
RIDGEWOOD, NJ 07450

IDENTIFYING NUMBER(S): **61-0581667**

NAVA

THIS IS NOT A BILL FOR TAXES YOU OWE. THIS IS A NOTICE OF LEVY WE ARE USING TO COLLECT MONEY OWED BY THE TAXPAYER NAMED ABOVE.

Kind of Tax	Tax Period Ended	Unpaid Balance of Assessment	Statutory Additions	Total
941	06/30/2008	\$43,548.80	\$35,743.13	\$79,289.93
941	09/30/2008	\$43,567.06	\$25,967.72	\$69,524.78
941	12/31/2008	\$96,239.62	\$25,345.98	\$121,585.60
941	03/31/2009	\$220,056.98	\$54,963.59	\$275,020.57
941	06/30/2009	\$215,929.05	\$30,465.25	\$246,394.30
941	09/30/2009	\$149,418.33	\$33,733.65	\$183,149.98
THIS LEVY WON'T ATTACH FUNDS IN IRAs, SELF-EMPLOYED INDIVIDUALS' RETIREMENT PLANS, OR ANY OTHER RETIREMENT PLANS IN YOUR POSSESSION OR CONTROL, UNLESS IT IS SIGNED IN THE BLOCK TO THE RIGHT. →			Total Amount Due	\$974,965.16

We figured the interest and late payment penalty to 05/31/2011

The Internal Revenue Code provides that there is a lien for the amount that is owed. Although we have given the notice and demand required by the Code, the amount owed hasn't been paid. This levy requires you to turn over to us this person's property and rights to property (such as money, credits, and bank deposits) that you have or which you are already obligated to pay this person. However, don't send us more than the "Total Amount Due."

Money in banks, credit unions, savings and loans, and similar institutions described in section 408(n) of the Internal Revenue Code must be held for 21 calendar days from the day you receive this levy before you send us the money. Include any interest the person earns during the 21 days. Turn over any other money, property, credits, etc. that you have or are already obligated to pay the taxpayer, when you would have paid it if this person asked for payment.

Make a reasonable effort to identify all property and rights to property belonging to this person. At a minimum, search your records using the taxpayer's name, address, and identifying number(s) shown on this form. Don't offset money this person owes you without contacting us at the telephone number shown above for instructions. You may not subtract a processing fee from the amount you send us.

To respond to this levy --

1. Make your check or money order payable to **United States Treasury**.
2. Write the taxpayer's name, identifying number(s), kind of tax and tax period shown on this form, and "LEVY PROCEEDS" on your check or money order (not on a detachable stub).
3. Complete the back of Part 3 of this form and mail it to us with your payment in the enclosed envelope.
4. Keep Part 1 of this form for your records and give the taxpayer Part 2 within 2 days.

If you don't owe any money to the taxpayer, please complete the back of Part 3, and mail that part back to us in the enclosed envelope.

Signature of Service Representative
K. SUN

Title
REVENUE OFFICER

S. B.

BEAU DIETL & ASSOCIATES

One Penn Plaza
50th Floor
New York, NY 10119

Licensed & Bonded
Federal ID #: 11-2760328



Private Eyes For A Public World

Invoice submitted to:

Middlebury Securities
Attn: Greg Osborn
202 Mountain Ave
Ridgewood, NJ 07450

Invoice Date

April 26, 2010

Invoice Number

13376

Case of: MIDDSEC.GRorke (NAVAGATE)
10-W0041

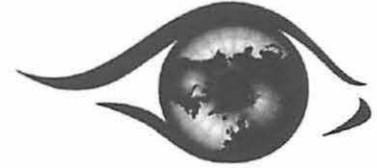
	<u>Amount</u>
Total Professional Services	\$5,750.00
4/5/2010 Payment - Thank You. Check No. auto Pymt	(\$5,750.00)
Total payments and adjustments	(\$5,750.00)
Balance due	\$0.00

5.4

BEAU DIETL & ASSOCIATES

One Penn Plaza
50th Floor
New York, NY 10119

Licensed & Bonded
Federal ID #: 11-2760328



Private Eyes For A Public World

Invoice submitted to:

Middlebury Securities
Attn: Greg Osborn
202 Mountain Ave
Ridgewood, NJ 07450

Invoice Date

April 26, 2010

Invoice Number

13377

Case of: MIDDSEC.WKaplan (NAVAGATE)
10-W0042

	<u>Amount</u>
Total Professional Services	\$5,750.00
4/5/2010 Payment - Thank You. Check No. Auto Pymt	(\$5,750.00)
Total payments and adjustments	(\$5,750.00)
Balance due	\$0.00

S.S.

On Sep 29, 2011, at 7:23 PM, "James Robinson" <jrobinson@middsec.com> wrote:

Rorke moved house to wife's name to protect it, not divorce her....its also known as "fraudulent conveyance of assets" - means the judge can claw back the assets. Unfortunato it means that you need to call Rorke's bluff and get WMD to write nasty letter about FC - needs to be done asap. They should also search to see if there is any record of his divorce, I think he is full of shit andis trying to defraud you.

jim robinson

jrobinson@middsec.com

m +1.802.922.5748

-----Original Message-----

From: Greg Osborn

Sent: Thursday, September 29, 2011 7:10 PM

To: Salvatore M. Di Costanzo

Cc: Michael Teicher; James Robinson; Chris Shaw; William Maker, Jr.

Subject: Re: Rorke

Wtf do we do?

--

Gregory J. Osborn

Managing Partner, Co-Founder

Middlebury Group, L.L.C.

170 East Ridgewood Ave.

Ridgewood NJ 07450

Cell: [REDACTED]

Office: 201 670 4386

Fax: 646 514 3980

Greg@middsec.com

www.Middleburygroup.com

TWITTER: <http://twitter.com/gregosborn>

"Some people want it to happen, some wish it would happen, others make it happen."

-- Michael Jordan

"The little things, I can obey. But the big things - how we think, what we value - those you must choose yourself. You can't let anyone - or any society - determine those for you."

-- Morrie Schwartz

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--

On Sep 29, 2011, at 6:46 PM, "Salvatore M. Di Costanzo" <smd@mcmillanconstabile.com> wrote:

Greg

While it is disappointing to receive this e-mail, I am not surprised given the effort made by both of us to secure Greg's assets. I am also surprised

S.6

to hear that Greg is concerned about a divorce from his wife when he had represented to me in a telephone conversation that he had transferred his home to his wife pursuant to a divorce. I suggest we have a conference call tomorrow to flush out options.

Sal

Salvatore M. Di Costanzo, Esq.
McMillan, Constabile, Maker & Perone, LLP
2180 Boston Post Road
Larchmont, New York 10538
T: (914) 834-3500
F: (914) 834-0620

smd@mcmplaw.com

smd@plantodayfortomorrow.com

Northern Westchester Office
2074 Crompond Road
Yorktown Heights, New York 10598
T: (914) 245-2440

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If any tax advice is contained in this communication or attachments, it is not intended or written to be used, and cannot be used, for the purpose of avoiding tax related penalties under federal, state, or local law.

-----Original Message-----

From: Greg Osborn [<mailto:greg@middsec.com>]
Sent: Thursday, September 29, 2011 6:26 PM
To: Michael Teicher; James Robinson; Chris Shaw
Cc: smd@mcmillanconstabile.com
Subject: Rorke

Sal

It is my understanding that Greg Rorke will not sign the documents. He claims his wife will divorce him. We can not in good faith yeild anymore funds to Rorke. In addition we need to elect a path forward ASAP. I want to resign effective immediately, but Raisbeck HSBC receivable note came due today. And I don't want to risk that. Rorke says if we sue him, he will file chapter 11.

--

Gregory J. Osborn
Co-Founder Managing Partner.
Middlebury Securities,
L.L.C. Greg@middsec.com
Office 201 670 4386
Cell [REDACTED]
EFax 646 514 3980
170 East Ridgewood Ave
Ridgewood, NJ 07450
www.middleburygroup.com

Subject: Pmts to Ms Sun

Date: Wednesday, September 21, 2011 at 10:19:05 AM Eastern Daylight Time

From: Greg Rorke

To: GREG OSBORN

CC: Jack Langstine

The \$1M is paid. Jack's \$200K has hit

Only \$100k to go

The audit is on hold pending payment

I need payroll money.

Is the 80K that I forwarded at all available to us?

EXHIBIT #6

Some Rorke PG records. (Again, I have limited ability to get the other facts.)

1. PG
2. WMD involvement
3. HSBC payment (I kept alive w Receivable sale, got back \$2 million a majority went to investors.
4. NO fees and we absorbed legal!
5. Emails validating Additional proof of tax liability – regarding our knowledge.
6. Emails from other management for credibility
7. Emails showing first investors notes maturing wanted to be paid.
8. A HSBC receivable
9. Incoming CFO resume
10. Incoming Asian Sales Resume.

Subject: Rorke PG

Date: Thursday, October 6, 2011 at 10:57:58 AM Eastern Daylight Time

From: Paul Weber

To: Donna Schulze, GREG OSBORN

CC: Gerald Coviello

Greg – As requested, see attached.

Paul R. Weber
Wollmuth Maher & Deutsch LLP
500 Fifth Avenue
New York, New York 10110
T: (212) 382-3300
F: (212) 382-0050
www.wmd-law.com

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PERSONAL GUARANTY

INDIVIDUAL GUARANTY

Dated as of March 25, 2011

To: The Purchasers Identified on the Signature Pages of the Subscription Agreement Referred to Below

WHEREAS, the Guarantor (defined below) originally executed a personal guaranty in favor of the Purchasers (defined below) in the amount of \$2,000,000 in December 2009, and

WHEREAS, the Company has accepted subscriptions in excess of \$2,000,000 in connection with the Bridge Offering (defined below); and

WHEREAS, the Guarantor has agreed to provide this additional personal guaranty in favor of Purchasers in the amount of \$1,250,000 such that his aggregate guaranty of the Notes issued in the Bridge Offering will be \$3,250,000.

NOW THEREFORE: In consideration of the terms and conditions contained in this Guaranty, and other good and consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned, intending to be legally bound, agrees as follows:

1. The Guaranty. For valuable consideration, the undersigned (the "Guarantor") hereby unconditionally guarantees and promises to pay promptly to the purchasers identified on the signature pages to the Subscription Agreement, executed in connection with the Bridge Offering (the "Subscription Agreement"), among Navagate, Inc., a Delaware corporation (the "Borrower") and each such purchaser (each, including its successors and assigns, a "Purchaser" and collectively, the "Purchasers"), in lawful money of the United States, any and all Indebtedness (as defined below) of Borrower to each Purchaser when due, whether at stated maturity, upon acceleration or otherwise, and at all times thereafter. The liability of the Guarantor is continuing and relates to any Indebtedness, including that arising under successive transactions which shall either continue the Indebtedness or from time to time renew it after it has been satisfied. All payments made by Guarantor to or for the account of any Purchaser hereunder shall be made by wire transfer of immediately available funds to the account set forth on Schedule 1 to this Guaranty, or in such other manner as Purchasers shall hereafter advise Guarantor.

2. Definitions.

"Borrower" shall mean the entity named in Paragraph 1 of this Guaranty.

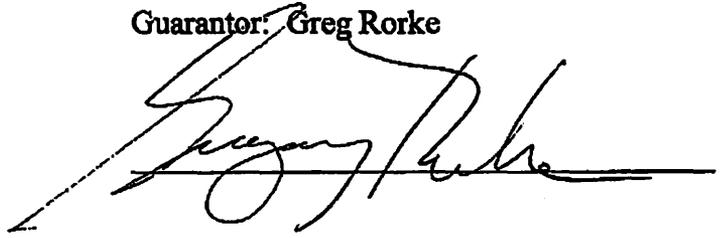
"Bridge Offering" Borrower's 12% Convertible Note financing, in an aggregate principal amount of up to \$3,250,000, scheduled to close on March 31, 2011.

"Guarantor" shall mean the individual signing this Guaranty.

6-2

IN WITNESS WHEREOF, the Guarantor has duly executed this Guaranty as of the date first indicated above.

Guarantor: Greg Rorke

A handwritten signature in black ink, appearing to read "Greg Rorke", written over a horizontal line. The signature is stylized and cursive.

6-3

Exhibit A

Personal Financial Statement

Form CR-107 (Revised May 1977)
 Standard Form Suggested By
 FEDERAL RESERVE BANK OF NEW YORK

FINANCIAL STATEMENT
 As of _____ 19__

PERSONAL

NAME GREG G. RORKE RESIDENCE 130 W 42nd St 11th Fl
 OCCUPATION NY NY 10036
 OR PROFESSION

I make the following statement of all my assets and liabilities at the close of business on the date indicated above to

(Name and Location of Special Institution)
 and give other material information for the purpose of obtaining advances on notes and bills bearing my signature, endorsement, or guaranty, and for obtaining credit generally upon present and future applications.

ASSETS		LIABILITIES and NET WORTH	
Cash on Hand	\$ 200,000	Notes Payable to Banks - Unsecured	0
Cash in Banks	800,000	Effect home use only (Sch. No. 1)	0
Notes Receivable		Notes Payable to Banks - Secured	0
Accounts Receivable		Effect home use only (Sch. No. 1)	0
Loans Receivable		Notes Payable to Others - Unsecured	0
Life Insurance - Cash Surrender Value		Notes Payable to Others - Secured	0
(Do not deduct loan)		Accounts Payable	0
Securities - Readily Marketable	5,000,000	Loans against Life Insurance	0
U.S. Gov. & Bond on Stock Exchanges		(Sch. No. 1)	0
Securities - Not Readily Marketable	5,000,000	Real Estate Mortgages Payable	0
Unlisted stocks & bonds		(Sch. No. 1)	0
Mortgages Owned		Real Estate Taxes & Assessments Payable	0
Real Estate	1,400,000	(Sch. No. 1)	0
Automobile(s)		Federal & State Income Taxes	0
Equity in car park		Other Taxes	0
Other Assets		Interest Payable	0
		On loans, mortgages, etc.	0
		Brokers Margin Accounts	0
		Other Liabilities	0
		(finances)	0
		Net Worth	12,000,000
TOTAL ASSETS	12,000,000	TOTAL LIABILITIES & NET WORTH	12,000,000

SUPPLEMENTARY SCHEDULES

NOTE: The following data should be furnished as of the same date as this financial statement. Fill in all spaces; insert "NONE" where appropriate.

No. 1 - Banking Relationships - List all bank accounts, including savings accounts:

Name and Location of Bank	Cash Balance	Amount of Loan	Indicate How Loan is Secured, Guaranteed or Insured
MSBC NEW YORK	800,000		

No. 2 - Notes, Accounts and Loans Receivable - List the largest amounts owed to you:

Name and Address of Debtor	Amount of Debt	% of Net Worth	Name of Debtor	If Secured, Describe Security	Date Payment Expected

No. 3 - Life Insurance - List all policies in which you are named as the insured:

Beneficiary	Insurance Company	Type of Policy	Face Amount of Policy	Net Cash Surrender Value	Total Loan Against Policy	If Applied, Indicate To Whom
WIFE			2,000,000	0	0	

No. 4 - Securities - List all stocks, bonds, etc.:

Face Value (Shares), No. of Shares (Bonds)	Description of Security	Registered Owner(s)	Cost	Market Value	Book Value	If Applied, Indicate To Whom
7,000	TREAS			1,750,000		
5,000	AMTRAIL			250,000		
10,000	AMTRAIL			4,000,000		
10,000	US TRUST			1,000,000		

(Continued on Reverse Side)

6.4

SUPPLEMENTARY SCHEDULES--(Continued)

No. 5 -- Mortgages Owed --

Location and Description of Mortgaged Property	Assessed Value	Market Value	Amount of Outstanding Mortgage	Months Interest Due & Unpaid	Indicate if Part of Second Mortgage	Amount of First Mortgage
②	\$	\$	\$	\$		\$

Mortgage Income -- During the 12 month period ended 19... I received interest payments of \$... and principal payments of \$... on the above described mortgages.

No. 6 -- Real Estate --

Location and Description of Real Property	Cost with Improvements	Assessed Value	Market Value	Rent Value	Annual Gross Rental Income	Annual Net Rental Income (Deduct Depreciation)
HOME / RESIDENCE	\$	\$	114,000	\$	\$	\$

Title to Real Estate -- The title to all of the above described properties is in my name solely, except as follows (give details):

No. 7 -- Real Estate Mortgages Payable -- (Are all mortgages on the above properties) follow the same sequence:

First Mortgages		Second Mortgages		Mortgages Payable Due Within One Year	Mortgages Interest Due & Unpaid	Taxes and Assessments Due & Unpaid
Amount	Maturity	Amount	Maturity			
\$ 0		\$		\$	\$	\$

No. 8 -- Brokers Margin Accounts -- List the names and addresses of the brokers and indicate the net amount due to each:

SUPPLEMENTARY INFORMATION

Personal Data -- No. of Dependents... 0

Income and Expense -- Albany, child support, or separate maintenance income need not be revealed if you do not wish to have it considered as a basis for repaying this obligation. My gross income from all sources during the 12 month period ended 19... amounted to \$... by personal living expenses and those of my dependents during that period amounted to \$... and I had other expenses for income taxes, insurance premiums, interest on debts, etc., of \$... I expect no important changes in my income or expenses during the current year or next year, except as follows (give details):

Contingent Liabilities -- As of the date of this financial statement, I had no contingent liabilities, except as follows: Notes Receivable Discounted or Sold \$...; Accounts Receivable Assigned or Sold \$...; Co-maker \$...; Accommodation Endorser, Guarantor or Surety \$...; Mortgage Bonds \$...; Claims for Taxes \$...; Other (describe):

Pledged, Assigned or Hypothecated Assets -- Describe all assets not noted elsewhere in this statement as having been pledged, assigned or hypothecated and indicate the liabilities which they secure: *None*

As of the date of this financial statement, I had not pledged, assigned, hypothecated or transferred the title to any of my assets, except as noted on this form or on a supporting schedule, nor has any such action been taken since that date, except as follows (give details):

Legal Actions -- No lawsuits, claims, judgments, or other legal actions are outstanding or pending against me and, to the best of my knowledge, no legal actions are to be started against me, except as follows (give details): *None*

Insurance Coverage -- Also Indicate: Buildings \$...; Automobile(s), Household Effects, etc. \$...; Indicate if policies have extended coverage endorsements; Liability Insurance: Automotive \$...; Personal \$...; General Public \$...; Other Insurance (describe): *SUFFICIENT*

Date of latest independent analysis of insurance: ...; Indicate adequacy of coverage:

Certification -- This is to certify that all the statements contained herein and in any supporting schedules are true and give a correct showing of my financial condition as of the date indicated. I further certify that I had no liabilities, direct or contingent, business or accommodation, except as set forth in this statement, and that the title to all assets therein set forth is in my name solely, except as may be otherwise noted. IN THE EVENT OF ANY MATERIAL ADVERSE CHANGE IN MY FINANCIAL CONDITION, I AGREE TO NOTIFY THE FINANCIAL INSTITUTION NAMED HEREIN IMMEDIATELY IN WRITING.

Signed this 20 day of APRIL 2010

NOTE: If space is insufficient, separate schedules, which should be clearly identified as being part of this statement, may be attached hereto. Such schedules should be dated and signed in the same manner as this statement.

Subject: Re: HSBC payment

Date: Thursday, September 8, 2011 at 11:51:42 AM Eastern Daylight Time

From: Wayne Kaplan

To: GREG OSBORN

CC: Greg Rorke

Greg. This is an ORDER. I'm not sure what is causing your concern. There are TWO contracts. One is for pan-asia which has been approved and triggered the billing (but we have not received it back yet) and the other is an addendum to the pan-asia that will incorporate GLOBAL terms, which will trigger a \$3M payment when it goes into effect, likely sometime in early to mid 2012.

Does this require any further explanation?

On 9/8/11 11:23 AM, "Greg Osborn" <greg@middsec.com> wrote:

This is good info. Thank you.

Off the record I'm now concerned it isn't a order, so we don't truly have a receivable. Hopefully there will be a order and this can skip through without a issue. If we don't have a true order in 2 weeks. We will address then.

--
Gregory J. Osborn
Co-Founder Managing Partner.
Middlebury Securities,
L.L.C. Greg@middsec.com
Office 201 670 4386
Cell [REDACTED]
EFax 646 514 3980
170 East Ridgewood Ave
Ridgewood, NJ 07450
www.middleburygroup.com

The problems we face today are there because the people who work for a living are outnumbered by those who vote for a living.

"A friend"

"It's Tough to make predictions, especially about the Future."

Yogi Berra

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6.6

Subject: Re: 20% Wires list....

Date: Thursday, January 3, 2013 at 6:28:35 PM Eastern Standard Time

From: Greg Rorke

To: Gregory Osborn

Will get these done tmrw.

-----Original Message-----

From: Greg Osborn

To: Greg Rorke

Subject: 20% Wires list....

Sent: Jan 3, 2013 6:20 PM

Cioffi \$15k

Kugler \$20k

Sabath \$20k

Andrews \$20k

Mittleman I think \$20k

O'leary

Werdegart \$40k

Blitt \$40k

Miller

Aktar 5k

-

Gregory J. Osborn

Managing Director-Investment Banking

Axiom Capital Management, Inc

780 Third Ave, 43rd Floor

New York, N.Y. 10017

212-521-3897 office

212-521-3888 Fax

██████████ Cell

800-686-8320 Toll Free

Gosborn@axiomcapital.com

Sent from my Verizon Wireless BlackBerry

6.7

Subject: RE: The 80

Date: Tuesday, July 17, 2012 at 6:40:19 AM Eastern Daylight Time

From: Jim Robinson

To: Gregory Osborn

Jumping in the car at 10a - will call you then.

Jim Robinson

Middlebury Securities LLC
Middlebury Asset Advisors LLC
jrobinson@middsec.com

1043 Sheep Farm Road
Weybridge, Vermont 05753
(office) +1 802 545 2388
(global mobile) [REDACTED]
(fax) +1 802 329 2124

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-----Original Message-----

From: Greg Osborn [<mailto:gosborn@axiomcapital.com>]

Sent: Monday, July 16, 2012 10:52 PM

To: James Robinson; 'GRorke@navagate.com'

Cc: Craig Sherman

Subject: The 80

Jim,

We need to discuss Greg's 80 that was tied to the 8888 remaining 100.

Craig informed me it was received and we need to discuss with Greg our commitment there. We don't want this to turn into a situation. He was there for us, when u sought assistance with that mis step from 8888.

--
NEW CONTACT INFORMATION:

Gregory J. Osborn



Subject: Loan to Greg osborn

Date: Friday, September 30, 2011 at 11:23:29 AM Eastern Daylight Time

From: Greg Rorke

To: GREG OSBORN

CC: Wayne Kaplan, Jack Langstine

Also, I am not sure why you are making such a big deal about the irs remaining obligation. As I mentioned last night, the \$80k you owe me, if paid directly to Ms Sun would bring us to 98.5% of the amount owed (1.280M out of \$1.3M)

We did our deal on a handshake. I trusted you. Was that a mistake?



Greg Rorke
CEO
Navagate
Suite 1100
130 West 42nd St
New York, NY 10036
917-533-9313 cell

6.9

Subject: Tim lane

Date: Wednesday, February 2, 2011 at 11:12:21 PM Eastern Standard Time

From: GREG OSBORN

To: Craig Sherman

CC: Jim Robinson

Craig

Prior to any funds being sent to any employees. It is imperative the Tim Lane situation be paid out. This is a liability to the firm that is past due.

Thank you.

--

Gregory J. Osborn Co-Founder Managing Partner Middlebury Securities, L.L.C. Greg@midsec.com

Office 201 670 4386

Cell [REDACTED]

EFax 646 514 3980

170 East Ridgewood Ave

Ridgewood, NJ 07450

www.middlebrygroup.com

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6.10

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----- Original Message -----

From: Wayne Kaplan [<mailto:wkaplan@navagate.com>]

Sent: Wednesday, September 07, 2011 03:14 PM

To: Greg Osborn

Cc: Greg Rorke <grorke@navagate.com>

Subject: Re: HSBC payment

Greg,

Once an invoice is submitted we have very little visibility into payment process as it's outsourced to their affiliate in india. We know we are receiving payment imminently when we receive an electronic purchase order forwarded to our HK office, for which we have not received yet. When we do get that notification, we'll make sure we let you know ASAP. Usually it's 2-4 business days after that we get a wire, usually into our NY office, although for some of the work it hits the HK accounts. This was billed from NY so we expect it here.

Also, we got word from their purchasing people to expect a Global Contract draft for review by the end of the week. I have been asked to 2 sets of meetings over the next two weeks. One to plan the Rest of Asia rollout schedule and timeline and the second to discuss the global contract terms and conditions. We expect about \$1.5M - \$3M in additional service revenue beginning in late Q4 for CY 2012, representing the 14 market Asia rollout over 2012, in addition to the license revenue.

On 9/7/11 2:19 PM, "Greg Osborn" <greg@midsec.com> wrote:

Wayne

When do you expect the HSBC payment. Please advise asap. Please thank you.

We

need to know this.

Thanks

--

Gregory J. Osborn

Co-Founder Managing Partner.

Middlebury Securities,

L.L.C. Greg@midsec.com

Office 201 670 4386

Cell [REDACTED]

EFax 646 514 3980

170 East Ridgewood Ave

Ridgewood, NJ 07450

www.middleburygroup.com

The problems we face today are there because the people who work for a living are outnumbered by those who vote for a living.

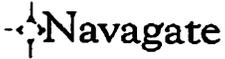
"A friend"

"It's Tough to make predictions, especially about the Future."

Yogi Berra

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6-11



 130 West 42nd Street

 Suite 1100

 New York, NY 10036

Invoice

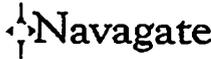
Date	Invoice #
6/30/2011	1251

Bill To
HSBC Group Purchasing Unit 7/F., Tower 3, HSBC Centre 1 Sham Mong Road, Kowloon, Hong Kong Attn: Invoice Coordinator

P.O. No.	Terms	Project
	Due on receipt	

Quantity	Description	Rate	Amount
1	Regional Software License - Asia Pacific HSBC Agreement No.: HKB-2011-176	1,200,000.00	1,200,000.00
Thank you for your business.		Total	\$1,200,000.00

6-12



 130 West 42nd Street

 Suite 1100

 New York, NY 10036

Invoice

Date	Invoice #
6/30/2011	1252

Bill To
HSBC Group Purchasing Unit 7/F., Tower 3, HSBC Centre 1 Sham Mong Road, Kowloon, Hong Kong Attn: Invoice Coordinator

P.O. No.	Terms	Project
	Due on receipt	

Quantity	Description	Rate	Amount
1	Navagate Support Services for Regional License and Software - Asia Pacific per HSBC Agreement No. : I1KB-2011-176	200,000.00	200,000.00

Thank you for your business.	Total	\$200,000.00
------------------------------	--------------	--------------

6-13

EXHIBIT #7

MIDDLEBURY ADVISORS. We were putting together a Advisory Board just prior to the Audits.

Subject: RE: Joe Formachelli

Date: Monday, April 12, 2010 at 11:39:00 AM Eastern Daylight Time

From: Charley Krause

To: Max Levine

CC: Greg Osborn

Here are bios on Joe F., Charles R., Greg Rorke, Jay and Tim.

Jay Elliott - As the President, CEO of iNetXcel, Inc., Mr. Elliott's company has developed software products to facilitate the acceleration of information through the internet. Previously, he was the Founder and Chairman of Migo Software, Inc. a mobility software company, and inventor of its flagship product, Migo. Mr. Elliot has more than 30 year's operations' experience with such corporate giants as IBM, Intel and Apple Computer. He served as the Executive Vice President of Apple Computer responsible for all corporate operations plus overall corporate business planning reporting directly to Steve Jobs, Chairman of the Board, CEO, and co-founder of Apple. Also as a member of the Macintosh Development team he oversaw the software development of the Macintosh software. During his tenure at Apple sales grew from \$150 million to more than \$3 billion. After graduating from college, Mr. Elliot joined IBM as a programmer working on the airline reservation system and moved into management in several key projects in the Disk drive

development business, development of the ATM system, the Fair Transaction System and eventually managed the company's 16,000-employee software division as the Director of the IBM Santa Teresa software Laboratory. Elliot left IBM to join Intel and at Intel was the director of the California operations reporting to Intel's CEO, Andy Grove. In the healthcare industry, Elliot was the chief executive officer of New Health Systems, a network technology group connecting physicians and payers to patients and affiliated hospitals. As part of the New Health plan, Mr. Elliot spent one year with the UCLA Medical Center and UCLA

Computer Science Department helping to develop a software system for the operation of Telemedical centers. It was while working with UCLA that Mr. Elliot came up with the idea for Migo.

Greg Rorke - For the past 25 years, Professor Rorke has been a manager, investor and business professor. After beginning his career in the restructuring area of Chase Bank, he sought out more active management roles. As an operator, he has been CEO for a number of emerging growth companies, special situations and turnarounds. Rorke spent four years as president of Danskin, increasing sales 65 percent and recording a dramatic bottom-line turnaround. As CEO of Kaplan Educational Centers, a subsidiary of the Washington Post Company, he led the revitalization of the company, reversing declines in EBIT and revenue during a successful two-year turnaround assignment. As an investor/ manager, he was successful in acquiring and turning around a \$36M Atlanta-based promotion and incentive company. More recently, he acquired an enterprise software company, built a new management team, enhanced the product line and sold it to Cisco. Rorke is the managing partner of Morning Street Partners, a private equity fund focused on secondary direct investments. He is on the advisory board of Corporate Revitalization Partners (crpllc.net), a 50-person consulting firm specializing in strategy, operations and financial restructuring. He is chairman of Navagate, an enterprise software company focused on the financial services and life insurance markets, serving such clients as New York Life, Banker's Life, HSBC and Thrivent. He is also chairman of Navaya Computer Sciences, providing software development resources to enterprise software companies.

Joe Formachelli- Joe Formichelli has over thirty years of experience in the computer industry that cuts across all general management responsibilities. In his time at IBM, he progressed to Vice President of World Wide Operations and ended his career there as Vice President/General Manager of the successful ThinkPad line of notebook computers. After retiring from IBM, he was CEO/President of Hayes Modems, President of ClearCube, an Austin, TX start-up and most recently was Executive Vice President of Toshiba's



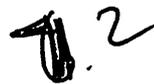
Computer Systems Group responsible for General Management of Toshiba's computer business in the US, Latin America and South America. His general management experience includes Profit and Loss ownership, Product development, Marketing and Sales, Finance and Operations. He has a broad background in Strategy, Technology Alliances and Partnerships, Field Service and Solutions and Product launches. In his most recent assignment, he successfully converted Toshiba's computer business from a technology driven, indirect sales organization to one of E-Business, Customer Relations Management, Direct Sales, (both corporate direct and "Shop Toshiba"), and revamped their manufacturing operations into a US configuration center to add flexibility and supply chain time reductions. Mr. Formichelli holds a Masters in Management Science (MBA) from MIT's Sloan School of Management. He lives in Laguna Niguel ,CA.

Charles Resnick - Charles is an accomplished business executive with a 25-year career in global general management, operations, financial management, and strategic relationships in the technology, banking, and consumer packaged goods sectors. Charles has held senior management positions in the United States, South America, Mexico, and Western Europe with Danka Business Systems, Tropicana Products, Mellon Bank, PepsiCo and The Procter & Gamble Company. Charles has extensive experience with both domestic and international mergers and acquisitions, and has been involved in over 100 acquisitions and divestitures, including a \$1.8 billion acquisition for Danka Business Systems. Charles was also a lead participant in negotiating the GATT and NAFTA Agreements as Undersecretary in the Bush administration (1990-1993). In his most recent position, Charles was a founder and Vice President of Corporate Development and Marketing of Mimeo, Inc. and was instrumental in building a strategic business and investment relationship with Hewlett-Packard and UPS. In addition, Charles was one of the lead Mimeo executives that raised a total of \$41 million in financing. Charles holds both an A.B. degree and a M.B.A. from St. Louis University.

Timothy Lane - Director Mr. Lane, presently chief executive officer of Everest Advisors, is well known for his accomplishments as chief executive officer of PepsiCo Restaurants International for Asia and the Middle East (KFC, Pizza Hut and Taco Bell), including directing KFC's introduction into China where it holds the lead market position. At PepsiCo, Mr. Lane guided the company from 250 stores generating losses to a 2,500 store network generating \$2.5 billion in revenue and over \$200 million in profits within six years. He began his tenure at PepsiCo in 1981 as Director of Business Planning, quickly rising through the ranks to become president of KFC International, Asia by 1989 and chief executive officer of the company's restaurants in Asia and the Middle East by 1994. Mr. Lane served as chairman, president and CEO of Holiday Inn Worldwide, a hotel group and division of Bass PLC consisting of 2,300 hotels generating \$8 billion in revenue. He began his career as a management consultant for Touche, Ross and Company before joining Masonite Corporation, where he served as general manager of its West Coast Fabricating Division. He also served as assistant to the chairman at the Consolidated Packaging Company. Mr. Lane received a Bachelor of Science in accounting from the University of Dayton and an MBA from the University of Chicago.

Charley Krause
The Middlebury Group
[REDACTED]
Charley@midsec.com
www.middleburygroup.com

Ridgewood, NJ 07450



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Subject: Resnick Advisory Agreement

Date: Tuesday, January 5, 2010 at 9:43:16 PM Eastern Standard Time

From: James Robinson

To: Greg Osborn



Jim Robinson
The Middlebury Group LLC
Middlebury Securities LLC
Middlebury Alternative Investment Advisors LLP
jrobinson@middcap.com

1043 Sheep Farm Road
Weybridge, Vermont 05753
(office) +1 802 545 2388
(global mobile) + [REDACTED]

(fax) +1 802 329 2124

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J.O. 3

EXHIBIT #8

Osborn expenses and Payments on behalf of Middlebury.

1. 2009 – 2012 Cash Expense summaries totalling \$800,000 (
2. Emails demonstrating FIN OP Sherman and Osborn beginning to organize them to position as purchase price for part of firm and payback as a small percentage of future profits.
3. Emails showing monthly payments to Middsec reps who continued on with Robinson post my departure.
4. Me rallying the team and drawing the line on my "money out of pocket"
5. Loans to Jim and employees
6. Examples of continued requests for funds from Middlebury for operations.
7. Me funding Jim's MIDDLEBURY BUSINESS DEVELOPMENT EXEC Jerry Bratkovich.
8. Middlebury failing to make promised operational payments for Ridgewood

Greg Osborn

202 MOUNTAIN AVE RIDGEWOOD, NJ 07450
TEL 201 670 8154 FAX Home Fax Phone

July 29, 2012

July 29, 2012
Jim Robinson
EI President
Middlebury Securities
Sheep's Farm Road
Weybridge, Vermont 05753

Dear Mr. Robinson,

As per our original understanding beginning MArch 2009 when you insisted i stay with you at Middlebury Securities and i would be a equal owner of the firm and be reimbursed for dollars lent/invested/loaned. As discussed, we never created official loan docs as you said that would be best for the firm capitalization and your handshake was good. Craig Sherman also affirmed repeatably our understanding that my time, effort and financial commitments would be honored as discussed with you. This list does NOT include additional payments i made to you for your efforts in 2007 and 2008 as a friendly underwriting commitment to you, or other support we will discuss later.

Enclosed are very brief and conservative summaries of my commitment to the Middlebury Securities firm in actual expenses. There are other outstanding issues i will send in a separate copy. As you can see they total in excess of \$500,000. My efforts also brought profitability to our group and underwrote you and your other projects . i am discouraged to have learned that you were drawing down expenses and NY rent and employee loans against my contributions. Please identify a way to repay me, now that you retain the benefits of the firm, the employees, reps, reputation and underlying core business i created. i have many emails from you confirming ownership and your lack of desire to be involved on a banking front with key companies you suggest are yours today.

Sincerely yours,

Greg Osborn

CC: Craig Sherman

8.1

GREG OSBORN
MIDDELBURY 2009

2009

Jul 29, 2012

TO: Jim Robinson
El Presedente?
Middlebury Securities
Sheeps Farm Road
Wybridge, VT. 05753

PROJECT TITLE: Dollars invested/loaned to MS
PROJECT DESCRIPTION: Expense Summary
PO NUMBER:
INVOICE NUMBER: 1 of many
TERM: past due

DESCRIPTION	QUANTITY	UNIT PRICE	COST
CHRIS SHAW MONTHLY DRAW	7	\$ 10,000.00	\$ 70,000.00
Home Office (Consevative Estimate	12	\$ 1,000.00	\$ 12,000.00
computer for Shaw	1	\$ 450.00	\$ 450.00
software costs	2	\$ 79.00	\$ 158.00
Legal Approximate	1	\$ 2,500.00	\$ 2,500.00
Bone trip to PIPE Conf	1	\$ 2,500.00	\$ 2,500.00
T and E	40	\$ 100.00	\$ 4,000.00
Monthly phones and Cable	12	\$ 550.00	\$ 6,600.00
Subtotal			\$ 98,208.00
Tax 8.25%			\$ 8,102.16
TOTAL			\$106,310.1

These are very conservative estimates for 2009 contributions in kind affirmed to be repaid to assist in building the company. These estimates are CONSERVATIVE> And i left out many to make a point.

Sincerely yours,

Greg Osborn

8.2

Subject: FW: 2010 Income summary

Date: Wednesday, January 6, 2016 at 3:28:41 PM Eastern Standard Time

From: Gregory Osborn

To: Greg Osborn

Priority: High

Howard,

In follow up to our meetings here is the summary .you have the 1099 from Middsec for \$497,000, the 1099R from JP Morgan for \$57,900.00 and the trading or sales income form JPM Securities of \$27,932.70 I had two groups that paid me,Celsia and Bacerin, but for some odd reason I did NOT get 1099's But we need to report them.

I outline them in further detail below

I have four sources of income for 200~~0~~¹⁰

\$497,943.82 Middlebury Securities **1099** you have a hard copy and reported to IRS by Middlebury

\$5,000 consulting fee from Celsia NOT REPORTED or 1099'd

\$120,000 **\$10k monthly advisory from Bacterin. Not 1099 or addressed (\$10k X 12 = \$120,000)**

\$57,900.00 1099R filed by JP Morgan Securities

I had the below trading or sale of Securities

\$27,932.70 this is 1099 from stock sales of GSIG and Network 1 Solutions I had purchases of **\$25,711.85**

\$2,220.85 is my Net trading gain... in GSI Group and Network Solutions 1

Also On claimed expenses I was reimbursed for **\$2262** dollars in travel and hotel by Bacterin, so we need to reduce that expense accordingly

Thanks really THANK YOU!

Regards,

Greg

Gregory J. Osborn

Ridgemaker Ventures

Ridgewood NJ 07450

Gregosborn@me.com

eFax 646 514 3980

C [REDACTED]

Twitter: @gregosborn

Be kind, for everyone you meet is fighting a hard battle."

-- Plato

8.2

GREGORY J OSBORN

GREG/RIDGEWOOD BRANCH MIDDLEBURY INCOME/EXPENSE 2010

Date: June 4, 2014

Attention: John Adler
Herrick

Middlebury 2010 1099 Income \$497,943.82 RIDGEWOOD BRANCH EXPENSES Fees from Navagate \$151,390

Navagate accounted for 30.4% of Middlebury fees or \$121,163.52 of Navagate Commissions fees setting me at \$30,226.48 in NET commissions from Navagate in 2010 (this does NOT factor in 2009 contributions to Midssec that a large part was set on teeing up Nuvel

DESCRIPTION	QUANTITY	UNIT PRICE	COST
1099 to Middlebury reps and advisors (list attached)	1	\$ 231,075.00	\$ 231,075.00
office build out	1	\$ 30,650.11	\$ 30,650.11
rent, phones, internet, PSEG	1	\$ 35,777.23	\$ 35,777.23
office supplies, computers, printer, fed ex, stamps, bus cards, NY office rent, car service, education, insurance CSC corp legal expense	1	\$ 64,822.33	\$ 64,822.33
car, gas, insurance	1	\$ 3,549.00	\$ 3,549.00
NYC tolls, taxis parking	1	\$ 2,285.00	\$ 2,285.00
entertainment dinners	1	\$ 4,500.00	\$ 4,500.00
		Subtotal	
		Tax 8.25%	
		Total	\$ 372,658.67

these were what i paid out of my total commissions in 2010 for Middlebury costs. this shows how i was not earning commissions as one, but i was paying for all the employees a the Ridgewood Branch, and all the expenses. i had to sell stocks and withdraw from my IRA's to sustain the Middlebury operation One could say i didnt get any net commission. in a perfect world, (and this is conservative) i netted a total of approximately \$99k in 2010 from al Middlebury, less the amount that stayed in for paid out 1099 wages & expenses et all.

Sincerely yours,

Greg Osborn

8.4

GREGORY J. OSBORN

2011-2013 TAXES - IN PROCESS

To: John Adler
Date: June 4, 2014

Regarding: Taxes

Dear Mr. Adler,

I have just recently filed my 2009 and 2010 taxes. and i owe \$50,000 plus interest. As I was struggling to save Middlebury and i had obligations from my responsibilities at Tasker Corp from the 2008 Financial Crisis. Ref not filing 2011 - 2013 I was further handicapped as we were contemplating splitting up with Middlebury post FINRA and i have been using all cash for Legal. I lost my job and career in Sept 2013 and i am suffering mentally. hence, I did not file 2011 - 2013 taxes as substantial expenses etc would be directly mine as they were in 2009 and 2010 as Middlebury did not have the wear withal to repay me. closing FINRA, then the SEC and identifying a way forward have been my priorities the last 12 months. We have had to borrow money to survive.

I am in the process of filing my 2011 - 2013 taxes with Arthur Steinberg of Lipsky Goodman in NYC . I have provided in copy any and all 1099's and Earnings summary. for these years. We expect to file and negotiate with the IRS over the next 90 days.

As you will see in the requested SEC forms, my wife and I have NO OTHER INCOME.. We have no trusts, no notes outstanding, no other real estate, no accounts receivable, no insurance policies with surrender value (just Life insurance on my death). Neither of us have Pension Plans, Keogh's, 401k's or credit balance. We haven't any prepaid expenses or liabilities and most importantly we haven't any partnerships outstanding other then our \$22,000 investment in common founder shares in Boardwalk Frozen Treats. (BFT) BFT has \$11.750 Million in senior debt and the Company is losing money. As a common partner we receive no benefit in the losses or gains. At this time, they are worthless.

My Wives IRA, saving account, and two children's savings accounts, furniture, and the house (negative equity) and were hers prior to our marriage. the IRA and small cash are her only holdings for her and our children. in addition, i borrowed thru a home equity line \$500k of the \$750k line to assist with payments described later for Tasker and Middlebury..

Sincerely yours,


Greg Osborn

8-5

GREGORY J. OSBORN

2011 USE OF INCOME

To: John Adler
Date: June 4, 2014

From: Greg Osborn
Regarding: Explanation of payments

Dear Mr. Adler

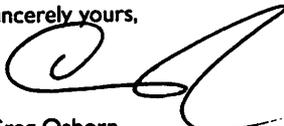
Although 2001 was a large income year for me, I had substantial past, present expenses. For the record, here is an estimate of where some of my larger payments from my "income" went..

1. ~\$350k 2007 Federal Taxes
2. ~\$37,500 NJ Taxes
3. ~\$100,000 loan repayment to Tim Lane for repayment of loans for Middsec operations and Nuvel Inc
4. ~\$100,000 loan repayment to Kevin Daly Tasker Loan repayment
5. ~\$160,000 loan repayment to Mike Andrews For prior Middlebury operations
6. \$310,000 of my 'Commissions' were rolled pre tax into Nuvel Inc. to help Company and improve asset value to protect investors. (Including funds used to repay Tim Lane.
7. ~ \$200,000 in general expenses associated with Middlebury
8. ~??~ legal etc.... *FOR middlebury over 100,000*

This exceeds my after tax stuff.....

So as you can see i had minimum cash to live etc.... i also sold my stocks etc....

Sincerely yours,



Greg Osborn

8.6

2011 Tax Summary

Income:

\$1,225,374.21 Middlebury 1099

\$1,292,880.21 Total

Middlebury Consultant 1099's
\$7,500 Mike Andrews Fisker
\$59,052 Charlie Krause
\$5,000 Kevin Daly Interest
\$5,500 Alan Miller Interest
\$49,500 Chris Shaw 1099
\$34,500 Robert Taggart 1099
\$15,000 Beacon Consultant
\$15,000 Steve Lichaw
\$21,500 Tom Ferguson
\$30,500 Zoltan Bernat
\$9,650 Michael Teicher Fisker

\$253,152 Total 1099/Consultant

HOME EXPENSES;;

\$37,831 Donations

\$34,500 Real Estate taxes:
\$58,738.44 Mortgage Interest

\$93,238.44

TRAVEL:

\$21,524.14 Airfare
\$9,825.36 Hotel
\$2,465.84 Car Rental, gas and cAB

\$33,815.34

CAR; - (% per 12k miles)
1,484 PARKING
\$1,748.80 GAS %
\$1,179 EZ PASS
\$420 CAR WASH
\$5,121 REPAIR PURCHASE AND TIRE
\$1,100 Insurance

Thursday, August 7, 2014

\$11,052.80

Business Expenses:

\$22,500 legal for firm
\$1,200 Insurance BUILDING AND BUS
\$22,680.41 Rent
\$1,000 Accounting CPA Joe Mele
\$4,815 Office Supplies
\$9,240 Hard Line Phones
\$2,160 PSEG
\$1440 Cable & Internet
\$1,545.94 Apple Best Buy Etc
\$3908 office Computers (Apple)
\$5,669 FedEx lap tops etc
\$205 USPS
\$319 Sirius
~ \$1200 ATT 30%
~ \$2400 Verizon 50%
~ 975 Home Cablevision 5% of total
\$457 Stationary
\$13,050 Deal Flow Media
\$910 Phone Repair/install guy
\$295 Laser Copier repair
\$553.50 Quote Media
\$1,997 Business Training for Max
\$4,000 Class for Max Levine
\$906 WSJ the WEEK, ny times sub
\$1,447 Software msft. linked in etc
\$1,100 Cleaning \$100 a month
\$3,100 *limo
\$1,200 Furniture addle furniture
\$1,300 Jan Ottens various Repair

\$110,666.85 Total

ENTERTAINMENT:

\$10,951 FOOD - AMEX
\$1,200 Tickets
\$934 Golf etc at Pebble w Fisker
\$2,200 HMGC
\$853 ITC

\$13,082

GIFTS

\$5012 Frames. - not allowed

2012 TAX SUMMARY

TUESDAY, AUGUST 12, 2014

INCOME:

\$119,607.84 Axiom W2 /
\$261,103.00 Axiom 1099
\$632,552.08 Middlebury 1099
\$20,000 Consulting Fisker

\$1,033,262.92 TOTAL -\$119,607.84
\$913,655.08 TAXABLE INCOME:

HOME EXPENSES:

\$34,500 Real Estate Taxes
\$58,738.44 Mortgage Interest
\$4,450 Donations

\$97,688.44 Total Mtge I, Real Estate Taxes & Donations

MIDDLEBURY 1099/CONSULTANTS:

\$31,000 ~~Bratkovich~~
\$15,000 ~~Zoltan Bernat~~
\$30,000 Bob Taggart
\$5,000 Donna Schulze
\$3,000 Mike Teicher

\$84,000.00 Total 1099/Consultant payments

LEGAL:

\$80,000 Herrick Feinstein
\$24,450 Duane Morris
\$22,290 Krebsback
\$300

\$127,040 Total Legal

CAR EXPENSES:

\$1,472.50 Parking
\$1,753.40 \$562.55 + \$1,190.85 (70%) Gas
\$893.20 EZ Pass
\$160.00 Car Wash
\$1,020.00 Repair/Maintenance
~~\$1,592.50 (\$6,500 X .35 X .7)~~
\$5,569.20 (\$663 X 12 X .70%)

\$12,461.30

TRAVEL:

\$14,419.27 Airfare
\$5,965.16 Hotels
\$440.00 Car Rentals
\$20,824.43 Total Travel Expenses

913
- 98
= 760
5 127
- 84
- 65
- 20

12
17

663
412
663
712
2

17500

8.9

2012 TAX SUMMARY

TUESDAY, AUGUST 12, 2014

NUVEL PAYABLES:

\$160,400 (BOARD CONTRIBUTIONS)

BUSINESS EXPENSES:

- ✓ \$2,755. 20 Cell Phone (\$7,872 X .35%)
- ✓ \$700 hard Lines at Office
- ✓ \$1,555.07 (PSEG OFFICE)
- R \$6,788.46 Office Rent
- ✓ \$450 Amex Fee
- \$1,000 Lipsky Goodkin
- ✓ \$175 Segal Conference
- P \$1,200 Globex Transfer
- C \$5,000 Marcum Conf
- C \$3,985 Abtech presentation (universal)
- P \$10,376.89 Deal Flow Media
- \$400 Cablevision (\$4000 @ Home X 10%)
- B \$4,481.16 Fed Ex less 5% discount
- B \$5,298.34 Staples
- \$246. Travel insurance
- B \$440 eFax
- P \$553. Quote Media
- P \$6,928.53 CSC
- P \$2,000 Wharton for Nuvel Never claimed or reimbursed.. issued check
- ~~\$1,472.50 Parking~~
- \$3,635.80 (Limo X 80%)
- ✓ \$731.45 Taxi
- \$893.20 (70% of 1276)
- ✓ \$85.59 Norton
- H \$266.97 Linked In
- H \$249.92 Zagg
- H \$92 Winzip
- H \$213.99 MSFT
- H \$203.24 Experian
- H \$1,902.60 Apple Computer
- \$1,515 (Ac Repaired to FAndI Tax)
- P \$133.75 Business Cards

\$65,727.50

Entertainment:

- \$10,268 Food
- \$5,400 Clubs (Zurich and San Fran)
- \$265.03 USTA
- \$302. Golf Tees
- \$587 Stub Hub (NYK)
- \$648 Ticket Master (NYK)

\$17,470.03

240
120
360

280
7

3636
23
41267

AL

1513

8.10

2013 TAX SUMMARY

Sunday , AUGUST 24, 2014

INCOME:

\$203,090.68 Axiom W2
\$412,500 Axiom 1099
\$15,000 Middlebury Ventures
???
\$2,720 Hospital winnings

\$618,310.68 TOTAL -\$201,090.68
\$415,220 TAXABLE INCOME:

HOME EXPENSES:

\$36,032.66 Real Estate Taxes
\$58,738.00 Mortgage Interest
\$4,390 Donations

\$99,160.66 Total Mtge I, Real Estate Taxes & Donations

INSURANCE:

\$28,800

LEGAL:

\$112,500 Herrick Feinstein
\$2,266.02 Documentation
\$3,000 Cillick
\$941 Olshan
\$300 Anslow Jackson

\$119,007.02 Total Legal

CAR EXPENSES: % of Acct rules

\$936 Parking
\$1,720 Gas
\$590. 20 EZ Pass
\$414.25 Car Wash
\$620 Repair/Maintenance
\$6,500 for family
\$9,546 Car Payments (\$795.50 X12)

\$20,353.45

TRAVEL:

\$3,252.90 Airfare
\$1441.36 Hotels
\$490.00 Car Rentals
\$20,824.43 Total Travel Expenses

BUSINESS EXPENSES:

\$3,216.05 Cell Phone ATT/Verizon 1/3rd

8-11

2013 TAX SUMMARY

Sunday , AUGUST 24, 2014

\$502.90 hard Lines at Office
\$49.95 (PSEG OFFICE)
\$450 Amex Fee
\$1,000 Lipsky Goodkin Acct
\$400 Cablevision (\$4000 @ Home X 10%)
\$812.75 Fed Ex less 5% discount
\$324.79 Staples
\$169 Travel insurance
\$200 eFax
\$553. Quote Media
\$3,100.00 (Limo X 80%)
\$210.45 Taxi
\$106.32 Intuit
\$239.95 People Smart
\$92 Win Zip
\$545 MSFT & GOGO
\$3,451.20 Phones, Accessories and Computers

\$15,423.36

Entertainment:

\$13,803.90 Food
\$265.03 USTA
\$1,688. Golf Tees
\$1,052.10 Giants Game

\$17,470.03

8.12

Greg the Schmuck Osborn

SCHMUCKS ARE ME

Invoice No. 2010 Summary
 Invoice Date: 12/31/2010

Greg Osborn
 170 East Ridgewood Ave.
 Ridgewood, NJ 07450
 201 n301 1352

gregosborn@me.com

Bill To: Jim Robinson
 Middlebury Securities
 Sheeps farm Road
 Weybridge
 , VT.
 Phone: 802 922 5748
 E-mail:

Description	Units	Cost Per Unit	Amount
Ridgewood Rent	9	\$ 3,100.00	\$ 27,900.00
Ridgewood Phones , cable, interent	12	770.00	\$ 9,240.00
Cell Phones	12	330.00	\$ 3,960.00
fed Ex	150	34.99	\$ 5,248.50
T&E	12	2,000.00	\$ 24,000.00
Trips	2	2,000.00	\$ 4,000.00
car service for clients and employees	15	99.00	\$ 1,485.00
printer, computers, office supplies	1	5,000.00	\$ 5,000.00
furniture	1	10,000.00	\$ 10,000.00
construction	1	19,000.00	\$ 19,000.00
CSC	2	2,200.00	\$ 4,400.00
office cleaning	9	100.00	\$ 600.00
Painting and extras	1	5,000.00	\$ 5,000.00
insurance, PSEG	9	300.00	\$ 2,700.00

Invoice Subtotal	\$ 122,533.50
Tax Rate	0.00%
Sales Tax	-
Other	-
Deposit Received	-
TOTAL	\$ 122,533.50

ADD KRANS 25,000

Make all checks payable to [Company Name]

Total due in 15 days. Overdue accounts subject to a service charge of 2% per month.

Thank you for your business!

122,533.50 + 25,000 = 147,533

8.13

Greg the Schmuck Osborn

2011

SCHMUCKS ARE ME

Invoice No. 2011 Summary
 Invoice Date: 12/31/2011 ~~January 11, 1900~~

Greg Osborn
 170 East Ridgewood Ave.
 Ridgewood, NJ 07450
 201 n301 1352

Bill To: Jim Robinson
 Middlebury Securities
 Address: Sheeps farm Road
 , VT. Weybridge
 Phone: 802 922 5748
 E-mail:

gregosborn@me.com

Description	Units	Cost Per Unit	Amount
Ridgewood Rent	12	\$ 3,000.00	\$ 36,000.00
Lichaw Draw starting 3/10 thru 9/10	6	5,000.00	\$ 30,000.00
Ridgewood Phones , cable, interent	12	770.00	\$ 9,240.00
Zoltan Draw 2500 a month strting 2/25	12	2,500.00	\$ 30,000.00
Cell Phones	12	330.00	\$ 3,960.00
Tom Fergusen 11/10 12/10	1	7,500.00	\$ 7,500.00
fed Ex	150	34.99	\$ 5,248.50
Charlie Krause 3/10	6	10,000.00	\$50,000.00
T&E	12	3,000.00	\$ 36,000.00
Trips	3	2,000.00	\$ 6,000.00
car service for clients and employees	20	99.00	\$ 1,980.00
printer, computers, office supplies	1	5,000.00	\$ 3,500.00
who knows a ton more			

Invoice Subtotal	\$	219,428.50
Tax Rate		0.00%
Sales Tax		-
Other		
Deposit Received		
TOTAL	\$	219,428.50

* ADD CSC \$4,750 cost
LEGAL - 2,000

Make all checks payable to [Company Name]
 Total due in 15 days. Overdue accounts subject to a service charge of 2% per month.

Thank you for your business!

8.14

Greg the Schmuck Osborn

SCHMUCKS ARE ME

Invoice No. 2012Summary
 Invoice Date: 12/31/2010

Greg Osborn
 170 East Ridgewood Ave.
 Ridgewood, NJ 07450
 201 n301 1352

Bill To: Jim Robinson
 Middlebury Securities
 Address: Sheeps farm Road
 , VT. Weybridge
 Phone: 802 922 5748
 E-mail:

██████████

Description	Units	Cost Per Unit	Amount
Ridgewood Rent	6	\$ 1,500.00	\$ 9,000.00
Ridgewood Phones , cable, interent	6	770.00	\$ 4,620.00
Zoltan Draw 2500 a month strting 2/25	6	2,500.00	\$ 15,000.00
Cell Phones	6	330.00	\$ 1,980.00
fed Ex	150	34.99	\$ 5,248.50
T&E	6	3,000.00	\$ 18,000.00
Trips	2	2,000.00	\$ 4,000.00
car service for clients and employees	10	99.00	\$ 990.00
printer, computers, office supplies	1	2,500.00	\$ 2,500.00
JP Morgn Conf	1	5,000.00	\$ 5,000.00
Marcum Conf Sponsor	1	5,000.00	\$ 5,000.00
CSC	2	2,200.00	\$ 4,400.00
office cleaning	6	100.00	\$ 600.00

Invoice Subtotal	\$	76,338.50
Tax Rate		0.00%
Sales Tax		-
Other		
Deposit Received		
TOTAL	\$	76,338.50

Make all checks payable to [Company Name]
 Total due in 15 days. Overdue accounts subject to a service charge of 2% per month.

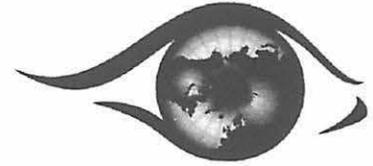
Thank you for your business!

8.15

BEAU DIETL & ASSOCIATES

One Penn Plaza
50th Floor
New York, NY 10119

Licensed & Bonded
Federal ID #: 11-2760328



Private Eyes For A Public World

Invoice submitted to:

Middlebury Securities
Attn: Greg Osborn
202 Mountain Ave
Ridgewood, NJ 07450

Invoice Date

April 26, 2010

Invoice Number

13379

Case of: MIDDSEC.SWarnecke (Bacterin)
10-W0004

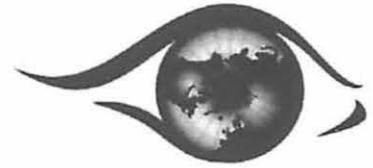
	<u>Amount</u>
Total Professional Services	\$5,750.00
2/16/2010 Payment - Thank You. Check No. Wire Trans	(\$5,750.00)
Total payments and adjustments	(\$5,750.00)
Balance due	\$0.00

8.16

BEAU DIETL & ASSOCIATES

One Penn Plaza
50th Floor
New York, NY 10119

Licensed & Bonded
Federal ID #: 11-2760328



Private Eyes For A Public World

Invoice submitted to:

Middlebury Securities
Attn: Greg Osborn
202 Mountain Ave
Ridgewood, NJ 07450

Invoice Date

April 26, 2010

Invoice Number

13380

Case of: MIDDSEC.GCooke (Bacterin)
10-W0005

	<u>Amount</u>
Total Professional Services	\$5,750.00
2/16/2010 Payment - Thank You. Check No. Wire Trans	(\$5,750.00)
Total payments and adjustments	(\$5,750.00)
Balance due	\$0.00

8.17

Subject: All or none. Its ours/yours to lose

Date: Thursday, February 24, 2011 at 10:32:52 AM Eastern Standard Time

From: GREG OSBORN

To: Jim Robinson, Charley Krause, Chris Shaw, Mike Teicher, Mike Andrews

BCC: Gerald Coviello, Liz Luongo

Dear partners,

We are on the brink of great success. We are also on the brink of a REAL payday that BAILS US OUT. To date we have all made great sacrifices. Thank you. But, recently we have sputtered. I may be a cause of it, you may be a cause of it or others may be. IT IS IRRELEVANT. I DON'T CARE. AND NEITHER SHOULD YOU.

We have two simple goals

1. Complete our own deal before I change my mind and close it.
2. SELL SELL SELL Raise money and close our current deals

WE NEED TO CLOSE STUFF NOW

I know my vision is totally on. I KNOW EACH OF YOU ARE PERFECT FOR YOUR ROLE.

AGAIN, I Totally know Middlebury is in the right place at the right time.

Last night again, I brought in two additional 40 something producers to our firm. Earners...sale people. All willing to work for free with us. They just want to have a platform. I also spent time with Rorke, reviewing his network.

Tobin and WMD are pouring people into our world. We are en fuego.

Advanced Equities is about to drive us huge opportunity. Markum gave us another referral yesterday, Zolton found another killer deal. I met with FCPG management yesterday. Ed Hamilton wants to hand us his world.

We need to take advantage of the opportunities confronting us. MIDDLEBURY IS REAL.

We will succeed with or without almost anyone on this email.

This is YOUR opportunity to lose.

I DESPERATELY NEED YOUR HELP.

Help me help you. Its simple. Check the attitudes at the door. We all are sucking wind financially. The only way we fix it. Is doing it ourselves.

Today marks the last \$25k I will extend to Middlebury as our partnership exists.

The use of proceeds are

\$2500. Zolton Mar draw

\$5000 Lichaw Mar Draw

\$5000 Krause feb balance

\$600 Zolton expense reimbursement.

\$3300 rent

\$3400 Jan/Feb Phones

The remaining 15k will go to MiddSec as we have \$31k due over the next few weeks and I know we will get commissions to cover the balance.

Donna, Craig, licenses etc.

I want all of you to be accountable for our liabilities from here. Isn't that what the responsibility of ownership entails.

We close. Everyone gets there Monthly March nut.

This is why I get so angry. Why do I bare all the financail risk, Jim a it too???

I REALLY WANT THIS TO WORK OUT and with each of YOU. AND IT WILL. The question is will everyone here be part...its your choice, not mine.

8.18

We either complete our internal docs, stop infighting, stop the nonsense and start making calls that generate revenue or we pick another way. As I said to Mike yesterday, we do not need 5 compliance officers and one sale person. We need five salespeople and 1 compliance officer.

Unfortunately I simply can NOT extend myself any further. And feel good about it I can not carry everyone and every expense solely on my back any further and liquidate my IRA, sell my holdings not pay my taxes unequally and watch ownership stay where it is. It ruins my attitude and it screws my head up and makes me fall behind on deals.

If you want to be smaller owners and have a monthly draw. Let me know now. Ill guarantee that. Your in. But if we want to continue as is. I need a all hands on deck effort to completion of the web site, the offering, the operating agreement etc.

(Chuck. I have u covered in March. So don't freak. I promised that.

If not. Well..... We need to rethink.)

Jim and I are forging ahead. You have all said and or demonstrated you are too. Well. We are at the 1 yd line. SCORE! Don't stop now. Excuses are for losers. If your not part of the solution, you are part of the problem.

If we do not have a completed offering document within a week, there will be consequences regarding my commitment at the ownership as current.

I nor you can afford further negativity, or any further financial stress personally. The solution is in your hand.

Now. We have to take all this energy and start taking this INCREDIBLE fucjking OPPORTUNITY that lies in front of us and RUN.

LET'S DO IT! Please

FOR THE RECORD.

I want to go on record. I have asked for no benefit to the financial risks and extensions I have taken to date.

I expect that at closing of Fisker or whatever is our first big payday, that I will be reimbursed WITHOUT QUESTION NOR COMPLAINT, BUT WITRH GRATITUDE The monies I put out. (Assuming they are fully documented)

They include

Loans to partners

Office set up costs

Rent, phone, utilities, office supplies etc.

I have paid over 60k in INTEREST on these loans. I should not bear the costs, as I personally had all the liability.

LASTLY. I do believe I deserve another percent or two on the ownership. But I am NOT re trading. Upon a Fisker type deal closing. And you see the amount I extended, if you the receipients privately and collectively want to throw me another point or two. I will take it.

I need everyone to respond to the following by number to the group.

1. No more complaining about partners to other partners. We have a beef, we discuss it direct and fix it. Agree?

2. In nor any other is to blame for personal cash flow. You don't get ownership in something without hard work and sacrifice. You either help fix it and take on your own part of the solution, (Close our funding) or leave. Agreed?

3. We all put in reasonable hours and effort. (No one should work as stupid much as I do). Agreed?

4. Please confirm to the team the following.

4A. You still believe in the dream?

4B. You feel it is a honor to be part owners of what has been built and will become?

8.19

5. If we close Fisker, you will take 3 days for a guys partner trip

6. We will be efficient with our time and let Donna and other do the work and we will try to make reveune generating calls. Ie SALES CALLS. U will try! Agreed?

7. Jim. Mike and Charley brought this to my attn and I agree. Do you? As per the operating agreement. We will elect to give 5% new stock. Not based on "revenue" but based on overall contribution to the firm as agrred by A MAJORITY of the partners. (Why I ask you all privately consider my request). This is a fairer way to reward partners so those that don't generate direct revenue can participate. Agreed?

Thank you.

Greg

--

Gregory J. Osborn Co-Founder Managing Partner Middlebury Securities, L.L.C. Greg@midsec.com

Office 201 670 4386

Cell 212 960 3888

EFax 646 514 3980

170 East Ridgewood Ave

Ridgewood, NJ 07450

www.middlebrygroup.com

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8.20

Subject: your & RW financials

Date: Tuesday, May 1, 2012 at 7:53:27 AM Eastern Daylight Time

From: Craig Sherman

To: GREG OSBORN

Greg,

All of your 'boxes' of financials have been put on to spreadsheets – next I will be reviewing to confirm the GI accounts are assigned appropriately. To date Cindy has worked 3 days on it. Next I will have her bring the quickbooks file up to date and then set up a web interface so you will be able to review it real time. As your and RW financials are intertwined I feel it is justified to have the Branch account pay for the services provided by Cindy to date. Are you okay with me writing her a check out of the RW account for \$300?

Next – I NEED your last completed tax return (2008 I believe) so I can begin your 2009, 2010, & 2011 taxes. I really believe I will have time by the end of the week to start these and am in need of your 2008 before I can start.

I am at a crossroads with how to invoice services provided. Everything historically has been so intertwined. So here is my question – do I have myself and Cindy provide services and just invoice on demand or do I utilize MCS as it is a services company. (I am pretty much MCS). I'd like to grow that company and have services provided to you and other entities invoice through MCS and then compensate myself, Cindy, others (IE: Max previous to 3q 2011 was paid through MCS). Well I need to figure out the method, but if you are ok with it, I think starting July 1 2012 all services may be invoiced through MCS.

Hopefully this email isn't too confusing – I really need some coffee – Lalena was up most of the night

In a nutshell – Can I pay Cindy \$300 for the work she has done out of the RW account.
Can you please send me a copy of your 2008 tax return
Share your thoughts of paying myself/Cindy directly or having me run it through MCS.

Thanks for everything

Regards,

Craig J. Sherman



Middlebury Securities LLC
FIN/OP Manager
www.themiddleburygroup.com

8.21

Subject: Bookkeeping, data entra, occasional filings

Date: Tuesday, April 24, 2012 at 7:04:37 AM Eastern Daylight Time

From: Craig Sherman

To: GREG OSBORN, Jim Robinson

Jim/Greg,,

I know we have discussed the possibility of having someone help with the data, bookkeeping, and office filings. Over the past few weeks I asked Cindy to help go through the boxes of receipts and expenses that Greg had given me. She spent 21 hours entering 39 months of data. I haven't discussed the potential pay with her but did inform her she'd get paid. So here is my question.

For now, as when the audits are over we may not need someone, can we contract her for the following:

Data entry for Greg/Jim expense receipts, Middsec AR/AP entry only, filings at the main BD (2 days a month at the office, more or less as needed),

Instead of giving her a 'salary' I suggest we have her log her hours and have the appropriate entities pay her directly from their PNL. Unless you all would prefer to break up a monthly stipend between multiple entities. I'd like her to handle the expense PNL's for Jim/Greg, AP/AR entries for all entities (just entries, not reports or actual payables), filings at the Middlebury Office (and there is some catching up to do).

She is currently trying to decide on what she will be doing for work, so it would be great if I could get an answer over the next week and know if I can utilize her to help catch up on other items as well.

Let me know your thoughts and what you think is appropriate for pay.

Thanks

Regards,

Craig J. Sherman



**Middlebury
Group**

Middlebury Securities LLC

FIN/OP Manager

www.themiddleburygroup.com

Middlebury Capital Svc

Operations Manager

8.27

Subject: RE: Loans

Date: Wednesday, June 13, 2012 at 9:09:15 AM Eastern Daylight Time

From: Jim Robinson

To: GREG OSBORN, Craig Sherman, Chris Shaw

LOANS

Greg - agree you do not need more risk. Like to help mike but the cupboard is bare and its not like he has produced anything in the last 2 years. While I am cautiously optimistic about xoran opportunity it will be months before penny is generated and

An idea you may want to throw by him is that we have taken a lot of risk by letting lesk on our platform are not even close to break-even but MT keep saying he is making 100k per month of structured settlements - why wouldn't he go to him for a loan? Middsec has more than accommodated his friends..they should help him out...don't forget colluccio who is now making lots in settlements, 3 or 4 Florida guys who came and went....would hope our willingness to lose money on these guys translates into goodwill he can trade-on...

BTW I am glad to broach this with him if you think a different voice may be useful....lemme know.

jim robinson
jrobinson@middsec.com
m +1.802.922.5748

-----Original Message-----

From: Greg Osborn
Sent: Wednesday, June 13, 2012 8:59 AM
To: Craig Sherman; James Robinson; Chris Shaw
Subject: Loans

Guys

Confidentially Mike just asked for a loan. I DO NOT HAVE IT. In addition Midd Ventures MUST be paid back the \$3k to Ventures and the firm can not front him as he already owes \$7k.

I have additional loans to others, not to mention the firm. I'm dry. I don't have it.

I need the RyMed money asap to stay even.

~~I am counting on being repaid by Mike, Chris and the firm, the firm eventually.~~ ←

I don't know what to do, but I can NOT TAKE ANYMORE RISK

--
Gregory J. Osborn
Co-Founder Managing Partner.
Middlebury Securities,
L.L.C. Greg@middsec.com
Office 201 670 4386
Cel [REDACTED]
EFax 646 514 3980
170 East Ridgewood Ave
Ridgewood, NJ 07450
www.middleburygroup.com

The problems we face today are there because the people who work for a living are outnumbered by those who vote for a living.

"A friend"

"It's Tough to make predictions, especially about the Future."

8.23

Subject: Re: Guidance & Insight

Date: Thursday, April 26, 2012 at 8:04:43 AM Eastern Daylight Time

From: GREG OSBORN

To: Craig Sherman

How the heck do you need 30k for the bd
We must pay asians and andrews that is NOT our mooney
Jim needs to step up and contribute if this is legal'
He is like the govt spending money and making none

MONEY REQUEST

--

Gregory J. Osborn
Director Investment Banking and Co-Founder
Middlebury Securities, L.L.C.
170 E. Ridgewood Ave
Ridgewood, N.J. 07450

Office: 201 301 1352

Cell: [REDACTED]

Fax: 646 514 3980

Greg@middsec.com

www.Middleburygroup.com

"It always seems impossible until it's done."

-- Nelson Mandela

Yesterday is history, tomorrow is a mystery, today is a gift
of God, which is why we call it the present."

---- Bil Keane

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--

From: Craig Sherman <csherman@middcap.com>

8.27

Subject: MBD Matters

Date: Thursday, May 3, 2012 at 2:27:21 PM Eastern Daylight Time

From: Jerry Bratkovich

To: GREG OSBORN, Jim Robinson

JERRY
BRATKOVICH

Hey Guys,

Tuesday was May 1 and again I did not receive payment of my monthly retainer, which is supposed to be paid the first of each month. As of May 1, Middlebury is behind in payments to me for a total of \$16,2236.99 (retainers for Feb-May, plus submitted expenses of \$2236.99, minus the \$6,000 payment made last week). I need to know when I can expect to be fully caught up.

I suggest we also get together to discuss MBD going forward. If you agree, just give me some times that would be convenient to meet.

Thanks,

Jerry

8.25

Date: Wed, 25 Apr 2012 15:48:17 -0400
To: GREG OSBORN <GREG@MIDDSEC.COM>
Subject: Guidance & Insight

Greg,

Do you have any insight as to if the BD will be receiving any commissions by next Tuesday. I hear we may get some from Bacterin. Anything else? I know we need about \$15K for the RW account and another \$30K for the BD to get through next month. I need to know what to expect. If need be we can tighten the belts a bit on vendors and hold off on accruing some liabilities if need be.

Thanks for all your hard work

Regards,

Craig J. Sherman



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Subject: other payables that need resolving tomorrow that are not in the use of proceeds

Date: Thursday, January 5, 2012 9:34:27 AM Eastern Standard Time

From: Craig Sherman

To: Greg Osborn, James Robinson

Priority: High

Vendor	Amount	Company Liabile	Deal	Notes
CSC	\$201.40	Middsec	MAA SPV's	(fisker deal)
CSC	\$5,220.00	Middsec	(2)	(fisker deal)
CSC	\$686.19	Middsec	Middgroup	Incorporation Charge
CSC	\$3,829.82	Middsec	Rymed	Lien/Litigation Search
CSC	\$2,110.63	Middsec	Abtech	Lien/Litigation Search
CSC	\$338.00	Middsec	Midd Ventures	
CSC	\$338.00	Middsec	Ridgemakers	
CSC	\$338.00	Middsec	MiddGroup	
Inc Services Emstein	\$100.00	Middsec		
Drangel Emstein	\$1,480.00	MiddGroup	Abtech	Recordal of Security Agreement (Patents and Trademarks Recordal of Security Agreement (Patents and Trademarks
Drangel Insite	\$1,890.00	MiddGroup	Rymed	investigate lien
Security Insite	\$8,646.03	MiddGroup	Abtech	Invesitgate G Rink & L Castleton
Security WMD	\$8,964.00	MiddGroup	Rymed	Invesitgate Rymed Principqls
	\$21,214.88	Middsec	Middsec	Middsec General Counsel (waiting for update on total)
Private Raise	\$13,702.50	Middsec	iBank	1 Seat membership to Private Raise Information Services (Paid quarterly beginning 12/07/2011)

FYI-

CSC & Emstein arethreatening legal action –

Private Raise will be cancelling our seat tomorrow unless we pay

Regards,

Craig J. Sherman



8.29

Subject: ~~Issuing Greg Equity in MiddSec~~

Date: Friday, April 27, 2012 at 9:19:45 AM Eastern Daylight Time

From: Jim Robinson

To: Craig Sherman

CC: GREG OSBORN

50% OWNERSHIP?

Craig – I need to ~~issue greg 50% ownership in Securities firm as dust settles on FINRA and Greg getting his 24%~~ Can you analyze the best way to do this from a tax perspective? Assume its after issuance of warrants b/c their value right now would put huge value on firm and create tax liability – post distribution the value ought to be very low if we use 3y avg of revs. – given firm is 10y old we might even use 5y average which would be even lower. I will work on the operating agreement with Greg.

Jim Robinson



**Middlebury
Group**

Middlebury Securities LLC

Middlebury Asset Advisors LLC

jrobinson@midsec.com

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(global mobile) +1 802 922 5748

(fax) +1 802 329 2124

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8.30

Subject: Issuing Greg Equity in MiddSec
Date: Friday, April 27, 2012 at 9:19:45 AM Eastern Daylight Time
From: Jim Robinson
To: Craig Sherman
CC: GREG OSBORN

50% OWNERSHIP

Craig – I need to issue greg 50% ownership in Securities firm as dust settles on FINRA and Greg getting his 24% Can you analyze the best way to do this from a tax perspective? Assume its after issuance of warrants b/c their value right now would put huge value on firm and create tax liability – post distribution the value ought to be very low if we use 3y avg of revs. – given firm is 10y old we might even use 5y average which would be even lower. I will work on the operating agreement with Greg.

Jim Robinson



**Middlebury
Group**

Middlebury Securities LLC
Middlebury Asset Advisors LLC
jrobinson@middsec.com

1043 Sheep Farm Road
Weybridge, Vermont 05753
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8.30

EXHIBIT #9

Random Expense Navagate Exhibits, FINRA Osborn work and NVL (Nuvel) Ownership

1. Legal bills associated w Navagate Offering – assumed Income - \$75,453.50. Cioffi Opinion \$5,000
2. Robinson's client Willi \$100,000 delayed or missed Fisker investment.
3. CSC bills, PSEG phones.
4. Example of financial review by FINRA only that SEC wants to replicate (OSBORN ONLY)
5. NAVAGATE ownership What I GAVE to all employees of Middsec. Yet Finra never assess accusations on anyone else that they had ownership – ONLY OSBORN
6. Payments I made (\$207,000) in 2012 to keep NVL alive. Merger completed last month- saved the Company, brought in CEO and merger partner. - no FEES
7. Letters from Managements verifying NO funds were ever missing and PPA showing NO conversion that these fees and eepnses were in CONTRACT Only FINRA makes such bogus Statements
8. Example of income held back by Robinson post me leaving.

Subject: WMD Monthly Statement

Date: Wednesday, October 12, 2011 at 12:14:12 PM Eastern Daylight Time

From: Gerald Coviello

To: Craig Sherman, GREG OSBORN, Mike Teicher

CC: Robin Teel

Craig,

The following is a breakdown of our invoices for Middsec. Robin will be sending you copies by mail/PDF. The Navagate amount listed below is Middsec's responsibility where we acted as placement agent counsel—not counsel to the Company. The bills on Navagate will reflect a much higher balance because it reflects the aggregate amount due to WMD on Navagate (i.e. Placement Agent bills and Company bills).

I would appreciate it if you could wire the Facebook amount since I understand the transaction closed and our fee was quite small. I sent you the exact amount but it was around \$3,000. In addition, I have asked Greg to forward the Seaside88 bill for an opinion my firm issued for a flat fee of \$5,000. I sent Greg a copy of the opinion and the invoice. Mike Teicher is going to take care of the Cioffi matter—another opinion matter for a \$5,000 flat fee.

It's getting close to year end so I would appreciate your assistance in trying to help satisfy as many of the balances as possible with the understanding that many of these are dependent on deals closing. Thanks for your assistance.

Client Matter	Total Amount Due	N
Nuvel Inc.	\$40,694.00	T
Fisker C Round (Post Closing)	\$32,325.37	T
Fisker D Round	\$66,229.38	T
Middsec General	\$10,536.28 (after \$20,000 courtesy write-off)	T
Rymed	\$39,347.00	T
Abtech	\$37,346.38	T
Abtech II (for Middsec account per GO request)	\$6,005.00	T
Facebook	Bill sent to C. Sherman was approx \$3,000	T
Seaside88 Opinion	\$5,000.00	C
Navagate	\$75,453.59 for Middsec Account as PA counsel	T
Cioffi Opinion	\$5,000.00	T

Regards,

Gerald

 Gerald Coviello
 Wollmuth Maher & Deutsch LLP
 500 Fifth Avenue, 12th Floor
 New York, New York 10110
 T: 212-382-3300
 F: 212-382-0050
www.wmd-law.com

9-1

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STATEMENT SUMMARY

Page 1 of 3



CORPORATION SERVICE COMPANY*
 2711 CENTERVILLE ROAD
 WILMINGTON, DE 19808

ACCOUNT NO. 7738471	STATEMENT DATE 2/8/2012	TOTAL AMOUNT \$7,288.28
-------------------------------	-----------------------------------	-----------------------------------



*****AUTO**MIXED AADC 680
 ACCOUNTS PAYABLE
 THE MIDDLEBURY GROUP
 170 E RIDGEWOOD AVE
 RIDGEWOOD, NJ 07450-3860 993

Account No: 7738471

Customer Service Inquiries: 302-636-5401 Ext6842

CONTACT NAME	CURRENT	1-30 DAYS	31-60 DAYS	61-90 DAYS	OVER 90 DAYS	FINANCE CHARGES	AMOUNT
PAUL R. WEBER	0.00	0.00	0.00	0.00	5,784.50	489.78	6,274.28
ANNUAL RENEWAL SERVICE	0.00	0.00	0.00	0.00	1,014.00	0.00	1,014.00

CURRENT	1-30 DAYS	31-60 DAYS	61-90 DAYS	OVER 90 DAYS	FINANCE CHARGES	TOTAL AMOUNT
\$0.00	\$0.00	\$0.00	\$0.00	\$6,798.50	\$489.78	\$7,288.28

If you previously submitted your payment, please disregard this statement.

9-2



CORPORATION SERVICE COMPANY*

STATEMENT

Page 3 of 3



CORPORATION SERVICE COMPANY

2711 CENTERVILLE ROAD
WILMINGTON, DE 19808

DETACH THIS STUB AT PERFORATION
AND RETURN IT WITH YOUR PAYMENT TO:

CORPORATION SERVICE COMPANY
P.O. BOX 13397
PHILADELPHIA, PA 19101-3397



ACCOUNT NO.	STATEMENT DATE	TOTAL DUE	AMOUNT REMITTED
7738471	2/8/2012	\$1,014.00	

INVOICE NO*	DATE	AMOUNT	INVOICE NO*	DATE	AMOUNT
73590548-RF	02/12/2011	338.00			
73591150-RF	02/12/2011	338.00			
73837521-RF	07/09/2011	338.00			

*CIRCLE INVOICES TO BE PAID

0 04 7738471 & 73590548 00031300 73591150 00031300 73837521 00031300

SERVICES PROVIDED FOR: ANNUAL RENEWAL SERVICE

Customer Service Inquiries: 302-636-5401 Ext6842

DATE	REFERENCE	SERVICE	INVOICE NO.	AMOUNT
02/12/2011	Not Provided, MIDDLEBURY VENTURES LLC, GREGORY J. OSBORN, 2890789	REP.RENEWAL	73590548-RF	338.00
02/12/2011	Not Provided, RIDGEMAKERS LLC, GREGORY J. OSBORN, 2889427	REP.RENEWAL	73591150-RF	338.00
07/09/2011	Not Provided, THE MIDDLEBURY GROUP LLC, CHARLEY KRAUSE, 2938011	REP.RENEWAL	73837521-RF	338.00

CURRENT	1-30 DAYS	31-60 DAYS	61-90 DAYS	OVER 90 DAYS	FINANCE CHARGES	TOTAL AMOUNT
\$0.00	\$0.00	\$0.00	\$0.00	\$1,014.00	\$0.00	\$1,014.00

If you previously submitted your payment, please disregard this statement.
CSC payment terms are Net 30 Days from the Invoice Date. Invoice Numbers ending with "RF" include a reinstatement fee.
Invoice Numbers ending with "**" denote partial payments or adjustments.



CORPORATION SERVICE COMPANY

Notice: See reverse side for important information.

Subject: Ridgewood Office Rent

Date: Wednesday, June 8, 2011 at 2:38:43 PM Eastern Daylight Time

From: GREG OSBORN

To: Craig Sherman

CC: Glen Fandl, Rick Thomas, Jim Robinson

Craig

Going forward...can you please wire \$2,946.90 to our Ridgemakers account on the 20th of each month, beginning this month?

Thank you.

Regards,

Greg

--

Gregory J. Osborn
Co-Founder Managing Partner.
Middlebury Securities,
L.L.C. Greg@middsec.com
Office 201 670 4386
Cell [REDACTED]
EFax 646 514 3980
170 East Ridgewood Ave
Ridgewood, NJ 07450
www.middleburygroup.com

"It's Tough to make predictions, especially about the Future."

Yogi Berra

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9-3

Greg,

I am having difficulty getting in to wire the rent – if u are in the office can you write them a check out of the MiddVentures account ?? Please advise thanks

Regards,

Craig J. Sherman



Middlebury Securities LLC
FIN/OP Manager
www.themiddleburygroup.com

Middlebury Capital Svc
Operations Manager

1043 Sheep Farm Rd., Weybridge VT 05753

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9-4

DISBURSEMENTS

	Facsimiles	2.00
	Photocopies	0.30
Mar-31-10	Lexis Nexis Inv. # 1003028236	3.34
Apr-29-10	Pae Tec Comm. Inv.# 52256233	0.40
		<hr/>
	TOTAL DISBURSEMENTS	\$6.04

TOTAL FEES

\$14,779.04

TAX ID Number 13-3997794

9-5

WOLLMUTH MAHER & DEUTSCH LLP

500 FIFTH AVENUE
NEW YORK, NEW YORK 10110

TELEPHONE (212) 382-3300
FACSIMILE (212) 382-0050

Taxpayer I.D. No. 13-3997794

May 11, 2010

Gregory J. Osborn
Middlebury Securities LLC
202 Mountain Avenue
Ridgewood, NJ 07450

Invoice #: Sample

TATRA

WM&D Ref. No. 3661-006

For professional services rendered as set forth in detail on the attached printout from:

February 01, 2010 - April 30, 2010

Due For Professional Services	\$11,187.00
Disbursements	\$72.07
Monthly Total Balance Due	<u>\$11,259.07</u>
Previous Balance	\$0.00
Payments Received Since Last Invoice	\$0.00
Total Amount Due	\$11,259.07

If you wish to make payment by wire transfer, our account information is:

Signature Bank
300 Park Avenue
New York, New York 10022
Acct Name: Wollmuth Maher & Deutsch LLP
Acct# [REDACTED]
ABA# [REDACTED]

9-6

Time Listing Details

Invoice #: Sample
Invoice Date: May 11, 2010
Client #: 3661
Matter #: 3661-006

DATE	DESCRIPTION	LAWYER	HOURS	RATE	AMOUNT
Feb-09-10	Conf calls and emails re: TATRA: drafting; emails to/from RMD, SCB; set up conf call for Thursday	GC	2.00	\$495.00	990.00
Feb-10-10	Conf calls and emails re: TATRA: drafting; emails to/from RMD, SCB; set up conf call for Thursday	GC	4.40	\$495.00	2,178.00
Feb-12-10	Correspondence	GC	0.40	\$495.00	198.00
Mar-01-10	Conf call w/ GC, Osborn re: letter to Tatra; review draft letter	SCB	1.20	\$550.00	660.00
	T/cs and drafting matters; correspondence and revisions to LOI; o/cs SCB	GC	3.20	\$495.00	1,584.00
	Research TATRA; drafting matters; t/cs re: marijuana investments; LLC matters; t/cs same	GC	1.00	\$495.00	495.00
Mar-02-10	Several t/cs and drafting matters	GC	3.00	\$495.00	1,485.00
Mar-03-10	LOI matters	GC	1.00	\$495.00	495.00
	Assist GC w/TATRA LoI	PRW	0.30	\$275.00	82.50
Mar-04-10	LOI matters	GC	0.20	\$495.00	99.00
Mar-05-10	LOI matters	GC	2.00	\$495.00	990.00
Mar-08-10	LOI matters	GC	2.00	\$495.00	990.00
Mar-09-10	LOI matters	GC	0.60	\$495.00	297.00
Mar-10-10	LOI matters	GC	0.50	\$495.00	247.50

9-7

WOLLMUTH MAHER & DEUTSCH LLP

500 FIFTH AVENUE
NEW YORK, NEW YORK 10110

TELEPHONE (212) 382-3300
FACSIMILE (212) 382-0050

Taxpayer I.D. No. 13-3997794

May 11, 2010

Gregory J. Osborn
Middlebury Securities LLC
202 Mountain Avenue
Ridgewood, NJ 07450

Invoice #: Sample

Specialty Finance Bank

WM&D Ref. No. 3661-008

For professional services rendered as set forth in detail on the attached printout from:

April 01, 2010 - April 30, 2010

Due For Professional Services	\$275.00
Disbursements	\$0.00
Monthly Total Balance Due	\$275.00
Previous Balance	\$1,947.00
Payments Received Since Last Invoice	\$0.00
Total Amount Due	\$2,222.00

If you wish to make payment by wire transfer, our account information is:

Signature Bank
300 Park Avenue
New York, New York 10022
Acct Name: Wollmuth Maher & Deutsch LLP
Acct# [REDACTED]
ABA# [REDACTED]

9-8

Time Listing Details

Invoice #: Sample
Invoice Date: May 11, 2010
Client #: 3661
Matter #: 3661-008

DATE	DESCRIPTION	LAWYER	HOURS	RATE	AMOUNT
Apr-27-10	Review draft selected broker agmt	SCB	0.50	\$550.00	275.00
	TOTAL HOURS		<u>0.50</u>		<u>\$275.00</u>

9-9

DISBURSEMENTS

TOTAL DISBURSEMENTS	<u>\$0.00</u>
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TOTAL FEES AND DISBURSEMENTS	\$275.00
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TAX ID Number 13-3997794

9-10

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From: Glen Fandl [<mailto:gfandl@fandltax.com>]
Sent: Thursday, March 15, 2012 8:07 AM
To: 'Kevin Remley'; Craig Sherman; Greg Osborn
Cc: 'Claudia Remley'
Subject: RE: Phone and PSE&G Bills

Craig

Re: PSEG bills

There are 3 PSEG bills (we have 3 meters).

Historically, Kevin, Greg and I each pay one bill and as we agreed, we would reconcile at the end of the year (see attached). Middlebury owes Kevin @700 and me @900.

Understanding the (historical) difficulty in getting paid by Middlebury – I have simply forwarded all three bills to Middlebury to draw down on the monies owed to Kevin and I.

And as Kevin has mentioned, all three bills have shut off notices...so hopefully, they are paid ASAP.

Regards

From: Kevin Remley [<mailto:KRemley@MarinusPartners.com>]
Sent: Wednesday, March 14, 2012 11:17 AM
To: 'Craig Sherman'; 'Greg Osborn'
Cc: 'Claudia Remley'; 'Glen Fandl'
Subject: RE: Phone and PSE&G Bills

Craig,

I understand that you don't work in the Ridgewood office. I have routinely been receiving physical checks from Greg for this payment, so I assumed the same for this. We would certainly prefer to receive an ACH transaction for this, but I've sent instructions several times to no avail -- which I would gladly send again.

a-11

I do not have the PSE&G bills – Glen receives them, but I do believe he physically distributes them to Greg each month. I will forward the communications you've been receiving relative to the reconciliation of the bills from last year. FYI -- We've received shut-off notices from PSE&G which I hope you are addressing.

The phone bill has not gone up – it's \$770/month as shown on the invoice. The add'l \$181.28/mo is for the TV/Fax/Wireless (also as shown on the invoice).

Please let me know when/how I can expect payment.

From: Craig Sherman [<mailto:csherman@middcap.com>]
Sent: Wednesday, March 14, 2012 10:47 AM
To: Kevin Remley; Greg Osborn
Cc: 'Claudia Remley'
Subject: RE: Phone and PSE&G Bills

I do not work in that office.

One – I need copies of the utilities bills in order to release payment – email scanned copies are fine.

Two – also why did phone increase – I thought they were \$770 a month?

Three – do we pay two different PSE&G bills? I have been paying another one which is not even close to that amount

Regards,

Craig J. Sherman



Middlebury Securities LLC
FIN/OP Manager
www.themiddleburygroup.com

Middlebury Capital Svc
Operations Manager

1043 Sheep Farm Rd., Weybridge VT 05753

Office +1 802 458 0369 Mobile [REDACTED] Fax +1 8024193738

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From: Kevin Remley [<mailto:KRemley@MarinusPartners.com>]
Sent: Wednesday, March 14, 2012 10:43 AM
To: Greg Osborn; Craig Sherman
Cc: 'Claudia Remley'
Subject: RE: Phone and PSE&G Bills

Greg/Craig,
This is getting quite burdensome for us – can I pick up a check from you today? I'll be in the office later.
kevin

From: Claudia Remley [<mailto:claudia@topazed.com>]
Sent: Thursday, March 08, 2012 4:43 PM
To: 'Greg Osborn'; 'Craig Sherman'
Cc: KRemley@MarinusPartners.com
Subject: Phone and PSE&G Bills

Hey,

Attached is the invoice for the current month's phone bill. Also outstanding is the phone costs from January and February month as well as the PSE&G costs that Marinus paid on Middlebury's behalf. Sooooo, total currently due:

March Phone:	\$ 951.28
Jan and Feb Phone:	\$ 1,902.56
PSE&G:	\$ 747.40

Total Due: \$ **\$3,601.24**

Any way we can get a check tomorrow or early next week?

Thx.

No virus found in this message.
Checked by AVG - www.avg.com

9.13

Subject: Free ride is OVER

Date: Wednesday, February 15, 2012 at 9:20:03 AM Eastern Standard Time

From: GREG OSBORN

To: Craig Sherman

Craig

I'm not emotional. I'm DONE being abused and taken advantage of.

Let's be real here.

Prior to ANYONE GETTING MONEY PAID BACK. THEY NEED TO PAY THERE DEBTS TO THE FIRM.

Jim. Has at least the following debts

\$100k. WILLI

\$?? RENT AND OTHER LOANS

RIA Legal expenses . I was told if I put \$20 or \$25k towards RIA I would own 50% with a follow up payment. In addition. I was told it was needed and being used In the SPV. IT WAS NOT

Now. Let's look at Greg. I borrowed NADA from the firm. I am out MULTIPLES to Jim. I have contributed 95% of the revenue

We have Navagate Counsel and now FINRA COUNSEL

And YOU think it is FAIR we share the 2.5% 50/50. And YOU think I am EMOTIONAL??

I PAID FOR EVRYONE TO GO TO SAN FRAN. I PAID FOR CHRIS TO GO TO MONTANA. I PAY THE OFFICE SUPPLIES. THE FED EX. THESE ARE REAL EXPENSES.

So. Don't tell me this is RIGHT or YOUR decision.

--
Gregory J. Osborn
Co-Founder Managing Partner.
Middlebury Securities,
L.L.C. Greg@midsec.com
Office 201 670 4386
Cell [REDACTED]
EFax 646 514 3980
170 East Ridgewood Ave
Ridgewood, NJ 07450
www.middleburygroup.com

The problems we face today are there because the people who work for a living are outnumbered by those who vote for a living.

"A friend"

"It's Tough to make predictions, especially about the Future."

Yogi Berra

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9-17

Subject: Steve Lichaw \$30k draw

Date: Thursday, July 19, 2012 at 9:21:17 AM Eastern Daylight Time

From: Gregory Osborn

To: Suzan Jo

Suzan

Amongst other things, there is an outstanding \$30k retainer I do want from an employees revenue that is due me that we need to add to the loan piece.

It is \$5k fir 6 months paid up front to have him join. I did not take it in the last 2 closings because he represented desperation.

1. He was going thru a vicious divorce, then custody battle.
2. he had a personal mental issue w police in NJ and was unable to drive in the State and couldny come to work.

My empathy for events above held off on collecting the balance due me. Either Jim can pay that or they can hold it back from Steve's future revenue

--
NEW CONTACT INFORMATION:

Gregory J. Osborn
Managing Director - Investment Banking
Axiom Capital Management, Inc
780 Third Ave, 43rd Floor
New York, N.Y. 10017
212-521-3897 office
212-521-3888 Fax
[REDACTED] Cell
800-686-8320 Toll Free
Gosborn@axiomcapital.com

"It's tough to make predictions, especially about the future."

-- Yogi Berra

"Some changes look negative on the surface but you will soon realize that space is being created in your life for something to emerge."

-- Eckert Toll

9-11

Subject: Oooops

Date: Thursday, July 19, 2012 at 7:58:02 AM Eastern Daylight Time

From: Gregory Osborn

To: Suzan Jo

Suzan

RyMed.

There is one more point of discussion reference RyMed.

There is a \$7500, 9 month retainer to "manage the Bridge investors". Post the close of the bridge. The close is today, so that clock begins ticking today.

My proposal is 2/3rds me and 1/3rd Midd as I am doing all the work. Btw, this is advisory work aka "non registered business" and does NOT need to go thru a BD

--
NEW CONTACT INFORMATION:

Gregory J. Osborn
Managing Director - Investment Banking
Axiom Capital Management, Inc
780 Third Ave, 43rd Floor
New York, N.Y. 10017
212-521-3897 office
212-521-3888 Fax
[REDACTED] Cell
800-686-8320 Toll Free
Gosborn@axiomcapital.com

"It's tough to make predictions, especially about the future."
-- Yogi Berra

"Some changes look negative on the surface but you will soon realize that space is being created in your life for something to emerge."
-- Eckert Toll

9/16

Subject: Privileged & Confidential - Proposed FINRA Response

Date: Thursday, August 2, 2012 at 8:34:56 PM Eastern Daylight Time

From: John Adler

To: Gregory Osborn

CC: Howard Elisofon

Greg-

Can you confirm the accuracy of the information below and address the few questions I highlighted? If it's easier, feel free to just call me tomorrow to discuss. I'm going to check with Howard to see if he thinks we should have the response come from you directly, or if we should send on your behalf. Either way, I have a letter drafted and the attachments scanned and ready to send.

Thanks,
Jon

Jonathan L. Adler
Herrick, Feinstein LLP
2 Park Avenue
New York, NY 10016
(212) 592-5936
www.herrick.com/jadler

2009			
		Description	Exhibit(s)
1	2/09 Deposit 11:35 a #7464 \$19,000.00	This is a check for \$19,000 from Mr. Osborn's personal brokerage account at Axiom. He has previously produced copies of the corresponding brokerage statements.	1
2	2/23 Deposit \$5,000.00 - (28-32 RIDGEWOOD AV, RIDGEWD, NJ	This is a check for \$5,000 from Celsia Technologies, Inc. ("Celsia") to Mr. Osborn for consulting services related to Debenture II. An email from Celsia's CFO confirming the purpose and amount of payments is attached as Exhibit 2A.	2, 2A
3	3/04 Deposit 02:03 p #7464 \$7,398.53 (Teller)	Two checks from Mr. Osborn's personal brokerage account at Axiom (for \$1351.48 and \$6,047.05). He has previously produced copies of the corresponding brokerage statements.	3
4	3/13 Deposit on \$5,691.61	A check from Celsia in the amount of \$5,000 for consulting services, and a check from Mr. Osborn's brother-in-law for \$691.61.	4, 2A
5	3/24 Deposit \$5,028.50 (28-32 RIDGEWOOD AV, RIDGEWD, NJ)	A check for \$5,000.00 from Mr. Osborn's home equity line of credit, and a refund check for \$28.50 from the New York Times.	5
6	3/26 Deposit \$7,000.00 (28-32 RIDGEWOOD AV, RIDGEWD, NJ)	This is a check for \$7,000 from Mr. Osborn's personal brokerage account at Axiom. He has previously produced copies of the corresponding brokerage statements.	6

9-17

7	4/07 Deposit \$5,000.00 (28-32 RIDGEWOOD AV, RIDGEWD, NJ)	This is a check for \$5,000 from Celsia for consulting services.	7, 2A
8	4/17 Incoming Wire Transfer \$25,000.00 WIRE FROM JEANNE HOGAN	This is a wire from Mr. Osborn's brother, Ken Osborn, in the amount of \$25,000 which was a personal loan that has been paid in full.	8
9	5/13 Incoming Wire Transfer \$11,000.00 WIR4E FROM ROBERT STEVEN BROWN	This is a wire from Bob Brown, Mr. Osborn's persona counsel at the time, in the amount of \$11,000 which was a short-term loan that has been paid in full.	9
10	5/19 Deposit \$5,750.00 28-32 RIDGEWOOD AV, RIDGEWD, NJ	A check from Celsia in the amount of \$5,000 for consulting services, and a check from Mr. Osborn's brother-in-law for \$750.	10, 2A
11	7/17 Deposit \$5,900.00 28-32 RIDGEWOOD AV, RIDGEWD, NJ	[GREG - please identify two checks in attached PDF]	11
12	10/05 Transfer from Bankcard 06:37p #7467 \$20,000.00 CALL CENTER Reference #543037	This is a \$20,000 transfer from Mr. Osborn's line of credit on his Citibank banking card.	
13	12/18 Other Credit \$16,805.22	This is an ACH in the amount of \$16,805.22 from American Express as outlined in the attached statement from Citibank.	13
2010			
14	4/20 Deposit 04:38p \$3,000.00	This is a check for \$3,000 from Mr. Osborn's father, Jerome Ptasiowski. .	14
15	4/12 Incoming Wire Transfer \$35,000.00 WIRE FROM HAWKSTONE CAPITAL GROUP	This is a wire from J. Michael Andrews/Hawkstone Capital Group in the amount of \$35,000 which, per the enclosed email, was a personal loan to Mr. Osborne which was paid in full.	15
16	4/20 Deposit 04:38p \$3,000.00 Telle	[GREG - please identify]	
17	7/16 Incoming Wire Transfer \$4,975.00 WIRE FROM CELSIA TECHNOLOGIES	This is a wire from Celsia in the amount \$5,000 (less \$425 wire fee) for consulting services.	2A
18	9/02 Deposit \$3,000.00 Teller 28-32 RIDGEWOOD AV, RIDGEWD, NJ	This is a check for \$3,000 from Mr. Osborn's home equity line of credit.	18
19	9/09 ACH Electronic Credit \$25,000.00 EA MiddSec	This is an ACH payment of \$25,000 from Middlebury Securities.	
20		YOU HAVE NO REQUEST ENTERED IN ROW 20	
21	10/04 Deposit \$10,000.00 Teller 28-32 RIDGEWOOD AV, RIDGEWD, NJ	This is a check from Continental Casualty Company for \$10,000 as a proposed settlement for an insurance claim in connection with water damage to	21

9-18

		Mr. Osborn's property.	
22	11/01 Incoming Wire Transfer \$3,000.00 WIRE FROM WIRE SUSPENSE ACCOUNT	According to Citibank, this an outgoing wire which was returned because of a wrong account number.	
23	11/02 Incoming Wire Transfer \$10,000.00 WIRE FROM BACTERIN INC.	This is a wire from Bacterin Inc. for \$10,000 in connection with Mr. Osborn's advisory work. [Is there a reason why this payment was made directly to you?]	
24	11/16 Incoming Wire Transfer \$10,000.00 WIRE FROM NAVAGATE, INC.	This is a wire from Navagate, Inc. for \$10,000 in connection with Mr. Osborn's advisory work. [Is there a reason why this payment was made directly to you?]	
25	11/08 Incoming Wire Transfer \$8,663.00 WIRE FROM CITIBANK NA NYBD CITICORP DATA SYS	This is a wire for \$8,663 from Mr. Osborn's personal brokerage account at Axiom. He has previously produced copies of the corresponding brokerage statements.	
26	12/20 Incoming Wire Transfer \$50,000.00 WIRE FROM CASTELMEC HOLDINGS LLC	This is a wire from J. Michael Andrews/Hawkstone Capital Group in the amount of \$50,000 which, per the enclosed email, was repayment of a personal loan made by Mr. Osborne to Mr. Andrews.	15
2011			
27	1/20 Deposit 04:41p \$12,057.36 Teller	Cash deposit from holidays [Greg - is this accurate, or should we just say "No Information Available"]	
28	4/11 Incoming Wire Transfer \$20,000.00 WIRE FROM INETXCEL INC.	TBD InetXcel payment for Charles Resnick Board Advisory work for Nuvel. This was to repay me for prepaying Charles for his efforts as per his contract with the company. EXHIBIT E.	
29	5/03 Incoming Wire Transfer \$14,970.00 WIRE FROM CITIBANK NA NYBD CITICORP DATA SYS	This is a wire for \$14,970 from Mr. Osborn's personal brokerage account at Axiom. He has previously produced copies of the corresponding brokerage statements.	
30	6/08 Deposit \$5,005.00 Teller 28-32 RIDGEWOOD AV, RIDGEWD, NJ	A check for \$5,000.00 from Chris Shaw as repayment of a personal loan made by Mr. Osborn, and a refund check for \$5 from the Town of Ridgewood for overpayment of a ticket.	30
31	6/10 Deposit \$13,500.00 Teller 28-32 RIDGEWOOD AV, RIDGEWD, NJ	Two checks from Michael Teicher (in the amount of \$10,000 and \$35000) which were repayments of personan loans made by Mr. Osborn.	31
32	7/22 Income Wire Transfer \$49,172.64 WIRE FROM THEORY CAPITAL GROUP LLC	This is a wire for \$49,172.64 from George Swan/Theory Capital which, per the enclosed email, was towards the purchase of a block of Fisker Series D Preferred Shares which Mr. Osborn and Mr. Swan split. A copy of Mr. Swan's holdings are on file in the Fisker SPV II file.	32

9-19

33	7/29 Deposit \$5,000.00 Teller 28-32 RIDGEWOOD AV, RIDGEWD, NJ	This is a check for \$5,000.00 from Chris Shaw as repayment of a personal loan made by Mr. Osborn	
34	10/07 Deposit \$11,100.00 Teller 28-32 RIDGEWOOD AV, RIDGEWD, NJ	This is a check for \$11,100 from Ridgemakers LLC (the lessee of 170 E. Ridgewood Ave.) to Mr. Osborn as repayment for Mr. Osborn's advancing of the Sept., Oct., and Nov. rent and phone charges for the Middlebury Securities Ridgewood, NJ office.	34
35	10/19 Deposit \$3,780.00 Teller 28-32 RIDGEWOOD AV, RIDGEWD, NJ	This is a check for \$3,780 from Ridgemakers LLC (the lessee of 170 E. Ridgewood Ave.) to Mr. Osborn as repayment for Mr. Osborn's accidental double payment of the Oct. rent and phone charges for the Middlebury Securities Ridgewood, NJ office.	35

The information in this message may be privileged, intended only for the use of the named recipient. If you received this communication in error, please immediately notify us by return e-mail and delete the original and any copies. To ensure compliance with requirements imposed by the IRS, we inform you that any tax advice contained in this communication (and its attachments), unless expressly stated otherwise, was not intended or written to be used, and cannot be used, for the purpose of (i) avoiding tax-related penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any tax-related matter(s) addressed herein.

9-20

iNetXel Initial Share Distribution Pre-Money

	% of Total Shares	Total Shares
Initial Share Distribution	100%	4000000
Founders and Management	62%	2480000
Founders and Advisors	38%	1520000

Founders and Management Initial Share Distribution

	% of Management Shares	% of Total Shares	Total Shares
Founders and Management Initial Shares	100%	62%	2480000
Jay Elliot	50%	31.000%	1240000
Randy Hagin	15%	9.300%	372000
Aamer Azam	14%	8.680%	347200
Steve Lett	13%	8.060%	322400
Geoffrey Tcheong	6%	3.720%	148800
Liza Leyva	2%	1.240%	49600

Founders and Advisors Initial Share Distribution

	% of Advisor Shares	% of Total Shares	Total Shares
Founders and Advisors Initial Shares	100%	38%	1520000
Gregory Osborn	24%	9.12%	364800
Charles Resnick	19%	7.22%	288800
Charley Krause	18%	6.84%	273600
Joe Zappulla	7%	2.66%	106400
Jim Robinson	7%	2.66%	106400
Yvonne Zappulla	5%	1.90%	76000
Chris Shaw	5%	1.90%	76000
Bob Taggart	4%	1.52%	60800
Michael Andrews	4%	1.52%	60800
Kevin Daly	3%	1.14%	45600
Leon Frenkel	2%	0.76%	30400
Craig Sherman	1%	0.38%	15200
Max Levine	1%	0.38%	15200

9-22

Founders and Advisors Initial Share Distribution

	<i>% of Advisor Shares</i>	<i>% of Total Shares</i>	<i>Total Shares</i>
Founders and Advisors Initial Shares	100%	38%	1520000
Gregory Osborn	24%	9.12%	364800
Charles Resnick	19%	7.22%	288800
Charley Krause	18%	6.84%	273600
Joe Zappulla	7%	2.66%	106400
Jim Robinson	7%	2.66%	106400
Yvonne Zappulla	5%	1.90%	76000
Chris Shaw	5%	1.90%	76000
Bob Taggart	4%	1.52%	60800
Michael Andrews	4%	1.52%	60800
Kevin Daly	3%	1.14%	45600
Leon Frenkel	2%	0.76%	30400
Craig Sherman	1%	0.38%	15200
Max Levine	1%	0.38%	15200

9-23

From: John Gandolfo jgandolfo@bacterin.com
Subject: use of funds
Date: March 11, 2014 at 11:53 AM
To: gregosborn@me.com

To Whom It May Concern, To the Company's knowledge, there has been no misappropriation of funds with respect to the use of proceeds involving Bacterin and you. All payments made to Greg Osborn or Middlebury Securities were in accordance with approved fee arrangements, expense reimbursements or consulting agreements.

Sincerely,

John Gandolfo
Chief Financial Officer
Bacterin International Holdings, Inc.

This e-mail is covered by the Electronic Communications Privacy Act, 18 U.S.C. Sections 2510-2521 and is legally privileged. The information transmitted herein (including any attachments) is confidential and intended solely for the individual or entity named above. If you are not the intended recipient, any interception, copying, distribution, disclosure or use of this transmission or any included information is strictly prohibited and may be subject to criminal and civil penalties. If you have received this transmission in error, please immediately contact the IT Administrator at MailAdmin@bacterin.com or call Bacterin International at 888-886-9354. Delete all copies of the transmission in all forms (electronic or other format) and destroy all hard copies. Do NOT forward this transmission. Thank you.

Note that all electronic communications sent and/or received by Bacterin International, Inc. employees are subject to monitoring and content review.

924

From: Guy Cook guycook@yahoo.com
Subject: Expenses and retainer
Date: March 11, 2014 at 4:33 PM
To: gregosborn@me.com



Greg,

To Whom It May Concern, To my knowledge, there has been no misappropriation of funds with respect to the use of proceeds involving Bacterin and you. All payments made to Greg Osborn or Middlebury Securities were in accordance with approved fee arrangements, expense reimbursements or consulting agreements

All payments and disbursements were in accordance with pre approved agreements.

Sincerely,

Guy S Cook

Sent from my iPad



November 10, 2009

Mr. Guy S. Cook
CEO and President
Bacterin International, Inc.
600 Cruiser Lane
Belgrade, MT 59714

Dear Guy:

This placement agent agreement (the "Agreement") constitutes the agreement between Bacterin International, Inc. (the "Company") and Middlebury Securities, LLC ("Middlebury", or the "Placement Agent") whereby Middlebury shall serve as the exclusive placement agent for the Company in connection with the proposed offer and private placement (the "Offering", "Private Placement" or "Transaction") by the Company of up to \$2,500,000 in 12% Secured Convertible Promissory Notes (the "Notes") and warrants to purchase shares of the Company's common stock (the "Warrants", and together with the Notes, the "Securities") to "accredited investors" pursuant to the terms set forth on Exhibit A hereto. The Company acknowledges and agrees that the Placement Agent may in its discretion use sub-placement agents in connection with the Offering.

The Placement Agent shall only be obligated to assist the Company with the sale of Securities on a "best efforts" basis as described above. The Securities may only be offered in jurisdictions in which the Placement Agent or its sub placement agents are duly licensed and authorized to conduct business as a broker/dealer in securities or are exempt from registration therefrom. Each of the Placement Agent and the Company may be referred to individually as a "Party" and collectively as the "Parties".

The Company shall execute and deliver copies of this Agreement and other transaction documents required by investors and the Placement Agent in order to complete the Offering (the "Transaction Documents"). If, as a result of the introduction(s) made by or through Middlebury to the Company all or any part of an offering of securities is consummated by the Company with a purchaser introduced by Middlebury, then the Company shall owe to Middlebury Private Placement Fees and Expenses as outlined in Section A below.

Furthermore, Middlebury may introduce the Company to one or more businesses or entities together with their subsidiaries, affiliates and related companies (referred to herein as the "Target(s)") (provided, that the Company pre-approves such Targets prior to any introduction being made), that are consistent with Company's business and strategic plans in order that Company could either acquire all or any portion of their capital securities or assets, or engage in

a merger, joint venture or other business arrangement with such Targets. If, as a result of the introduction(s) made by or through Middlebury to the Company all or any part of a Transaction is consummated by the Company with a Target, the Company hereby agrees to pay Middlebury a commercially reasonable fee for such services which shall be negotiated, in good faith, between the Company and Middlebury.

A. **Fees and Expenses.** In connection with the services described above, the Company shall pay to Middlebury the following:

1. **Private Placement and Advisory Fees.** As compensation for its services in connection with the Private Placement, the Company shall pay to Middlebury a cash placement fee equal to eight percent (8%) of the aggregate purchase price paid by each purchaser of Securities that were placed in the Offering (the "Placement Agent's Fee") at each Closing. The Placement Agent's Fee will be deducted from the gross proceeds of the Securities sold at each Closing. The Placement Agent will also receive a cash fee equal to eight percent (8%) of all amounts received by the Company in connection with the exercise of any Warrants by Purchasers. In addition, the Company shall pay Middlebury a monthly advisory fee of \$10,000 per month until the Notes are repaid in full or converted into common stock; provided, however, that such advisory fee shall be capped at \$120,000 unless the parties enter into a separate advisory agreement providing for the payment of advisory fees in excess of \$120,000.

2. **Expenses.** In addition to any fees payable to Middlebury hereunder and regardless of whether an Offering is consummated, within ten (10) days after written request therefor, Company shall reimburse Middlebury for all fees and disbursements of Middlebury's outside counsel, including post-closing fees and expenses, and Middlebury's reasonable travel and other out-of-pocket expenses as incurred in connection with the service performed by Middlebury pursuant to this Agreement, including without limitation, transportation, hotel, meals and associated expenses including postage, express/overnight mail delivery, courier services, etc.

3. **Warrants.** In addition to the Placement Agent's Fee, upon the closing of the sale of Securities in connection with the Offering, the Company shall issue to the Placement Agent warrants to purchase a number of shares of the Company's common stock obtained by dividing ten percent (10%) of the gross proceeds of the sale of Securities by the exercise price (the "PA Warrants"). The PA Warrants issued in connection with the Offering shall have an exercise price of \$0.80 per share. Any PA Warrants issued to the Placement Agent as consideration in connection with subsequent round of financing shall be exercisable at 100% of the offering price paid by investors in such financings. The PA Warrants shall expire five years from the date of issuance. The PA Warrants shall be in the same form, including, without limitation, the same registration rights and anti-dilution provisions, as the securities sold in the Offering; provided, however, the PA Warrants shall include a "net issuance" cashless exercise feature.

4. **Excluded Investors.** Notwithstanding anything to the contrary herein, Middlebury's fees under Sections A.1. and A.3. above shall be waived for the first \$3,000,000 invested, in the aggregate, by the Company's existing investors, the Constantino Group, the McGonagle Group or the Accenture Group (such amount, the

EXHIBIT #10

Statement of Financial Condition – Gregory Osborn (-\$1,499,2830)

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
STATEMENT OF FINANCIAL CONDITION OF
GREGORY OSBORN

I. Statement of Assets and Liabilities as of ~ August 30, 2016

A. Assets:

List all assets owned by you, your spouse, or any other member of your household, directly or indirectly, and all assets which are subject to your or your spouse's possession, enjoyment, or control, regardless of whether legal title or ownership is held by a relative, trustee, lessor, or any other intermediary, including but not limited to the categories indicated below.

1. Cash	\$14,900.00
3. Nuvel performane Stock. Possible value\$100k to \$300k NO CURRENT VALUE IN ANYWAY. The Comoany must achieve X sales in the next 16 months, then be public then be liquid..	
4. Loans or Notes Receivable	0
5. Real Estate on	0
6. Furniture and Household Goods	\$40,000
7. House in default/preforeclosure	\$1,350,000.00
8. Securities \$17,000 Liz Pre marriage Scwabb account	\$17,000
9. Partnerships BFT - Liz and Zac illiquidated	\$50,000
10. Net Value of Ownership Interest in Business	0
11. Individual Retirement Accounts (WIFES IRAs)	\$73,000
12. Notes: POSSIBLE Nuvel NOTE (pledged & ILLIQUID)estimate - ~\$125k	
13. Other Pension Assets or 401k's	LIQUIDATED
14. Annuities	0
15. Prepaid Expenses or Liabilities	0
16. Credit Balances on Credit Cards	0

Total Assets

~\$1,672,900

*** Liz has some inheritance coming to her upon her Mom's death in which she and/or the kids may be beneficiaries.I have never seen or am aware of the holdings and/or amounts. Our current relationship has heightened my inability to access this. Again, this was PRE Marriage**

LIABILITIES

List all liabilities, including but not limited to the items listed below.

- 1. Home mortgage 15 mnth in default-(preforclosure) **1,178,000**
- 2. old Mercedes Benz 2012 lease **\$3,400**
- 3. Credit Card Debt **\$111,474.08**
- 4. Ny State Tax **\$10,000**
- 5. HOME EQUITY LOAN **\$780,000**
- 6. Personal Notes Payable **\$294,000**
- 7. Accrued LEGAL Bills **\$97,000**
- 8. Judgments/Settlements Owed IRS **\$780,000 plus**
- 9. Nuvel Board Pledges **\$200,000**
- 10. Citibanlk Checking Plus **\$12,509**
- 11. Medical bills - attached **\$5,800 +**

Total Liabilities **\$3,472,183.00**

C. Net Worth (Assets Minus Liabilities) - (\$1,499,283)

D. For each asset with a fair market value of greater than \$1000, describe the asset, state the form of ownership (e.g., individual, joint, beneficial interest), provide a fair market value and explain how fair market value was determined (e.g., appraisal, comparison, estimate, etc.).

Boardwalk Frozen Treats BFT 500 total common shares owned by my wife and son. current value is **\$50,000 (illiquid)** CEO David Owens, 239 390 2140 shares are as follows 400 shares Liz personally & 100 shares for Zachary
Last price for Common \$115 _ Buyer gone

- 1. Cash Speaks for itself (Bank of America, \$4,168.57 savings, \$5,252.58 checking, Schwab \$1,139.50, Citibank \$1,500 and Kids

PASSBOOK SAVINGS ACCOUNTS (KIDS MOMEY), Ally, \$8,723.85, Christian, \$3,361.95, Za, \$794.76, Zac TD account \$650, Christian TD Account, \$550, Greg's TD account \$539)

3. Nuvel Owed to me \$135,000 repayment of prefunded Audit and legal expenses from 2012.

5. House ZILLOW Assesment included

6. Reasonable Guess. 70% is from Wife as she previously owned home w X husband

11. Liz's retirement account included (from Previous Marriage)

12 Nuvel Holding s explanation attached..

13 Liz is owed this from greg for business checks out against Gregs liability of the same amount in liab

14 Securities lists are provided

E. For each liability, indicate the date incurred; the original amount of the liability; the length of the obligation; the interest rate, the collateral or security; if any, who is responsible for the obligation; the outstanding balance; the name(s) and address(es) of all obligee(s); and your relationship (if any) to each creditor.

1. IN DEFAULT Mortgage Hudson City july 2005 4.5% secured by first lein on house Co-signed by Greg and Liz \$1,105,000

2. 0

3. Credit Card Debt Listed seperately and copie of major accounts included and who is obligated.

4. 0

5. IN DEFAULT Chase Bank Home Equity Line VAR rate approximately 1.755 Co signed by Liz and greg secured second lein on the house.

6. PERSONAL DEBTS \$= **\$294,100**

GREG Personal loans to get thru last three years w life, FINRA, mental health issues etc. until I could get a job. Total \$294,000

-
17. \$20,000 George Thayer -Cousin
 18. \$25 Patrick Collins Friend
 19. \$120,000 Curt brockelman Friend
 20. \$22,500 Karl Marx friend
 21. \$25,000 Tim Lane old Partner
 22. \$20,000 Lucosky Brookman Attorney
 23. \$5,000 George Eberle Old Roommate
 24. \$5,000 Ken Osborn Brother
 25. \$7,500 Jonathan Segal Friend
 26. 11,000 David Clarke Friend
 27. 5,000 Lanny Dacus old partner

- 28. 2,600 Eric Brachfeld old partner
 - 29. 20,000 Mary Luongo Mother in law
 - 30. 8,000 Judy Ptasienski mom
-

8. Herrick and Wollmuth Maher & Deutsch accrued in 2014 I am obligated. \$90,000. I ran out of money when meeting SEC first time.

Nuvel Pledged \$200,000 see attached pledge agreement
I PLEDGED as founder and Board member my assets
Nuvel Corp Counsel Darren Ofsink, Ofsink Co, 230 Park ave ny ny
Office 646 801 6552

F. List all securities or commodities brokerage accounts and accounts at banks or other financial institutions in your name; under your control; in which you have or had a beneficial interest; or to which you are or were a signatory since January 2009. For each account, specify the location of the account, account number and balance in cash or securities.

Banking accounts:

Greg,

Citibank # [REDACTED] \$2,000 cash, (\$12k) line "Gregory j. Osborn"
Opened at Citibank, 399 Park ave NY NY my home address

Citibank Middlebury Ventures Business Account # closed no cash.
Opened at Ridgewood NJ Branch uses my home address not really used.

TD Bank Gregory Osborn & Liz Osborn # [REDACTED] \$100

CHASE Middlebury Ventures 11 # [REDACTED] CLOSED
Middlebury Ventures 111 [REDACTED] CLOSED

Ridgewood NJ Branch NO activity the last year plus basically closed
Paramus NJ

Bank of America Ridgemakers this was closed in 2012 and it was for 170 E Ridgewood ave RENT only between the office parties. I never signed a check, but did deposit rent in it monthly. account # [REDACTED] bank manager Mike eale, 201 670 4386 Ho Ho Kus NJ branch

Middlebury Escrow Accounts. I do NOT have the info I was NOT sole signatory, they required a corporate signature and Escrow agent signature Craig Sherman would have that I believe they were TD accounts and under the escrow agent Mcmillan Constabile of Westchester County NY contact SalDi Costanzo, [REDACTED]

Liz,
Bank of America checking and savings account
[REDACTED] 1

Securities accounts:

GREG

Axiom Capital, 780 3rd Ave, NY NY 212 521 3810
Gregory Osborn Personal # [REDACTED] Zero balance

TD Ameritrade Account # [REDACTED] Gregory J. Osborn \$0

LIZ Liz's accounts and the HOUSE were HERS PRIOR to our marriage!

Schwabb Paramus NJ

Elizabeth Luongo Personal Account # \$11,000.00

Her and my IRA descriebd in other section

Schwabb

Elizabeth Luongo Rollover IRA Account # \$72,195.32

All activity for past 24 months included

Axiom Capital Management. No activity in 12 months

Mark Martino President [REDACTED]

Gregory Osborn SEP/IRA # [REDACTED] \$0 balance

G. List any 401(k) plans, pension plans, Keogh plans, individual retirement accounts, profit sharing plans, thrift plans, life insurance policies or annuities, in which you have an interest, vested or otherwise. For each account or plan, specify the account name, the location of the account, account number and balance, and the terms of withdrawal or loan options.

H. List all credit cards or lines of credit in your name or to which you are a signatory, including the name of the credit issuer, account number, credit limit, and amount of indebtedness.

Credit Card Accounts and IRS liabilities

no late payments for greg

Gregory Osborn

Paypal [REDACTED] 01 \$280.00

Chase United 5 [REDACTED] \$14,818.18

Chase Freedom [REDACTED] \$3,680.02

Citi Advantage [REDACTED] \$18,173.90

Citi ATTUniversal [REDACTED] \$14,873.25

Citi Thank You [REDACTED] \$2,664.15

Citi Checking plus \$12,308

Amex [REDACTED] \$3,695.56

Amex Bus [REDACTED] \$5,238.06

GREG TOTAL \$75,731.12

Elizabeth Luongo/Osborn
 BofA Master Card [REDACTED] \$9,507
BofA #2 \$1,600
 Sears Master Card [REDACTED] \$10,500
 Amex [REDACTED] 5,000 limit
 Discover [REDACTED] \$1,500 limit
Lord & Taylor \$3,500
Nordstrom \$700
Victorias Secret \$200
 Neiman Marcus [REDACTED] 0
 J Crew [REDACTED] \$1,536
 Barclays [REDACTED] \$1,700
LIZ TOTAL \$35,743

TOTAL CREDIT CARD DEBT \$111,474.12

A. Income/Receipts

List all money or other income received from any source on a monthly basis by you, your spouse, or any other member of your household, identifying the source, recipient, and amount. For any income received on a basis other than monthly, convert to a monthly basis for the purposes of this statement.

<u>Description</u>	<u>Source</u>	<u>Amount</u>
1. Salary/Wages	ZapGo	\$12,500
2. Commissions/	Brio Financial	\$2,000
3. possible Consulting Fees	Ridgemakers	\$2,000
4. PROBABLE Consulting		
5. dividends & Interest	_____	0
6. Annuities	_____	0
7. Pensions	_____	0
8. Rents/Royalties	_____	0
9. Sales of Assets (Net)	_____	0
10. Repayment of Loans	_____	0
11. Payments on obligations made on your behalf by others	_____	0

12. Fringe Benefits (e.g.,_car)	_____	0
13. Alimony/Child Support	_____	\$4,000
14. Gifts/Bonuses	_____	0
15. Lizcosmetics	_____	\$500
16. TOTAL RECEIPTS	_____	\$19,000 - \$22,000

B.

Expenses/Disbursements

Hoping to earn more once I regain normal emotion and mental capacity.

List all monthly expenditures for whatever purpose for you or your household for the past 12 months, identifying the purpose and the amount, including projected expenses. For any expenditure which varies from month to month, indicate a range of amounts and the average amount on a monthly basis.

<u>Description</u>	<u>Amount</u>
1. Mortgage/Rent giving up house soon	\$4,585
2. Food	~\$1,500
3. Utilities Gas/Electric/watr/internet	~ \$1,000
4. Cell phones	\$450
4. Payment on Loans	varies
5. Real Estate Taxes giving up house soon	~\$3,250
6. Insurance Premiums car Life & Home	\$1,475
7. Medical Expenses	~\$500, plus
8. Automobile 3 leases,	\$1,475
10. Income Taxes	\$5,500
11. Security	\$50
12. Equity Line	\$1,850
13. Tutoring & Sports	~\$500
15. _____ credit card interest _____	~ 1,800 (low)

Total Expenses/Disbursements

\$23,935 *

*If you anticipate unusual expenses in the coming 12 months, please describe them.

We may need to sell house if I can not find a new job, this would be an approximate \$580k LOSS shortfall. I have received a two year reprieve from the IRS beginning February 2016.

½ MEDICAL bills

Home repairs

Car repairs

Additional legal bills

REPAYMENT TO IRS

REPAYMENT OF LOANS

General expenses - Clothes, activities and other expenses

I have accepted a job with ZapGo out of London beginning September 1, 2016 for \$150,000 a year plus healthcare plus Bonus. So I DID NOT INCLUDE HEALTHCARE premiums in my monthly. I am advising Brio Financial for \$2,000 a month for the next year and am searching for extra income to avoid filing bankruptcy. I never expected the mental breakdown associated with this regulator process due diligence to the lies of managements FINRA and/or failures in Middlebury guidance.

III. Other Information

A. List any disbursement having a value of \$1000 or more, made on your behalf, or on behalf of your spouse or children, by any other person or entity since January 2009, the amount of the disbursement, and the name and address of the person or entity who made the disbursement.

Health insurance by various companies for which I was employed does this count? If So, I had a one year continuum from Axiom

There were no direct disbursements made on my behalf. However, I want to be clear, a good part of my 2012 and 2013 Axiom 1099 revenue was sent directly to my Counsel. Again I was taxed for it, but it was made direct for speed and promised commitment on my part. I retain the direct write off.

B. List all transfers of cash in an amount of \$1000 or more, or assets or property with a cost or fair market value of \$1000 or more, made by you since January 2009, and, if applicable, identify the value of the asset, the consideration received, and the relationship of the transferrer to the transferee, or indicate that no such transfers have been made.

DOES THIS INCLUDE PAYMENTS ON LOANS, other wise the only transfe is the 'nuvel performance Stock in 2013.This was done as being a bad actor will prohibit my sale.

Sold my client list, our Fisker Lead list and My general brokerage business to former Indigo partner Eric Brchfeld for \$125k, May of 2014 as I resigned from the business.

Transfer of ownership? I bought Clothes for Chris Shaw and mike Teicher when I was at middlebury in 2011 and 2012 and lent them funds from time to time.

Business expenses described in taxes for 2009-2013 they were expenses, 1099 no transfers or gifts

Nuvel the Company issued founders shares in Nuvel, but they were nominal and non liquid (Robinson, Shaw, Krause, Daly, Resnick)

I purchased work computers for Chris Shaw, Charlie krause and others for Midd business. It was can operating expense, so these were not gifts.

Sold remaining Middlebury office furntiture etc for 6 months free rent and a thousand dollars to Glenn Fandl at E Ridgewood Ave office in 2013

- C. Identify any financial institution accounts (other than those identified in Item I.F. above) in which you have deposited more than \$1000 since January 2009, or indicate that no such deposits have been made.

None that I can recall other then Private investments in Our deals. Certainly nothing of any intent to decieve Again I did send deposits to Middlebury Securities parents direct accounts again Middlebury would have those records

- D. List all dependents, their ages, and whether or not they reside with you.

**ZACHARY, 12, resides with
Christian 18, Resides with
Alexandra 21, resides with but, as of this year, NO LONGER a
dependent
Liz 52, resides with**

- E. Attach federal income tax returns filed by you or on your behalf (including personal, trust, or business returns) during the years 2009 through 2013.

2009 - 2015 attached

- F. Attach any federal gift tax returns filed by you or your spouse during the years 2009 through 2013. **NONE**

- G. Attach any financial statement which the declarant has prepared during the years 2009 through 2013 for any purpose (e.g., such as a financial statement provided to a bank to secure a loan). **none**
- H. *Attach copies of documents evidencing all outstanding loans for which you or your spouse is either a lender or borrower. Described*

All personal loans

\$100,000 Curt Brockelman
\$22 Karl sietz former associate
\$25 Tim Lane former partner and friend
\$20 George Thayer cousin
\$15 Lucosky Brookman friend and lawyer
\$25 Patrick Collins friend
\$11 David Clarke friend and past partner
\$2,5 KEN Osborn brother
\$2.5 GEORGE Eberle old roommate
\$7,500 Jonathan Segal friend
\$5,000 Lanny Dacus former family
\$8,000 Judy Ptasienski (mom)
\$30,000 Mary Luongo (mother in law)

\$188,000

- I. *Attach copies of all securities, commodities, bank, or other financial institution account statements for the past 12 months in your or your spouse's name, under your or your spouse's control, or in which you or your spouse has a beneficial interest. Done*

Under penalties of perjury, I declare that I have examined the information given in this statement, and attached hereto, and, to the best of my knowledge and belief, it is true, correct, and complete. I further declare that I have no assets, owned either directly or indirectly, or income of any nature other than as shown in, or attached to, this statement. I understand that any material misstatements or omissions made by me herein or in any attachments hereto may constitute criminal violations, punishable under 18 U.S.C. 1001.

Date

Sworn before me this ____ day of _____, ____.

Notary Public

February 27, 2014



37767 RCS 001 003 05814 - NNNNNNNNNNNN
Gregory J Osborn
202 Mountain Ave
Ridgewood NJ 07450-4019



We're sorry, but your credit card account will be closed on April 15, 2014

RE: Your account ending in 3014

Dear Gregory J Osborn:

We're writing to let you know that we will be closing your credit card account shown above on April 15, 2014 because continuing the relationship creates possible reputational risk to our company.

We realize this decision may create difficulty for you

Closing an account is not something we do lightly. It does happen from time to time and the possibility of this action is outlined in your Cardmember Agreement.

We want to help you through this change

There are a few things you need to know and do.

- **Credit Cards and Checks:** Please destroy all credit cards and checks connected with this account.
- **Automatic Charges:** Please contact any merchants that automatically charge this account, like ongoing services or monthly membership fees. You will need to cancel those charges or make other payment arrangements.
- **Payments:** You'll need to repay any balances owed on this account, as explained in your Cardmember Agreement. If you owe a balance on the account, we'll continue to send monthly statements until the balance is paid in full.
- **Authorized Users:** Please let any Authorized Users know that the account will be closed.
- **Overdraft Protection:** If you've linked this account to your checking account for overdraft protection, that feature will no longer be available.

Information about your rewards

- In most instances, eligible rewards can be accessed for three full months from the date the account is closed. For example, if the account is closed on December 15, your rewards are accessible until March 15. Any rewards remaining after that time will no longer be available. Accounts are reviewed according to the rewards terms and conditions, which in some cases, could result in your rewards points being forfeited.
- If your rewards program is with one of our partner companies, (e.g. airline program), any rewards previously earned and transferred to that partner's rewards program are unaffected. Any rewards earned in the current billing period will be transferred to the partner rewards program.
- For some credit cards, redemption options (including Shop with Points at merchants and Travel transactions that include point redemption and cash) may be limited after your account is closed.

Please see reverse side for important information

10-12

EXHIBIT #11

Medical letters and emails.

1. Letter from Dr. Choy – Critical Care Physician
2. Emails during 2011 demonstrating illness as FINRA harassed me due to Middlebury failures.
3. DR Martindale [REDACTED] coming.

Marc S. Melamed, M.D., FCCP
Critical Care Medicine
Joseph N. Grizzanti, D.O., FCCP
Pulmonary Medicine & Allergy/Clinical Immunology
Wanda Choy, M.D., FCCP
Pulmonary and Critical Care Medicine
Steven C. Jacoby, M.D.
Pulmonary and Critical Care Medicine
Rahat Salamat, M.D.
Pulmonary, Sleep and Critical Care Medicine

Daniel Suffin, D.O., FCCP
Pulmonary and Critical Care Medicine
David M. Rosen, M.D.
Pulmonary, Sleep and Critical Care Medicine
Amit S. Tibb, M.D., FCCP
Pulmonary, Critical Care and Palliative Care
Timur T. Graham, M.D.
Pulmonary and Critical Care Medicine



44 Godwin Avenue, Suite 201 • Midland Park, NJ 07432 • 201-689-7755 • 201-689-0521 fax
297 Lafayette Avenue • Hawthorne, NJ 07506 • 973-790-4111 • 973-790-4330 fax

Recipient:

Phone: , Fax:

Date: 08/30/2016

RE: Gregory Osborn, DOB: [REDACTED] PT ID #1200958

To whom it may concern ,

Gregory Osborn has been a patient of our practice for the past 15 years. During this time, I have been monitoring and treating his [REDACTED]

Mr. Osborn remained stable until 2011 when he presented to the office with symptoms of [REDACTED]

On review with Mr. Osborn re: possible factors that may have aggravated his disease after many years of quiescence, it was realized that he had been under a tremendous amount of stress in the preceding months. Stress has been shown in medical research to be a significant immunomodulating force on the body. This likely contributed to his weakening state. He was advised to allow time for his health to recuperate optimally away from heavy stress. Unfortunately, he was not able to do this because of work obligations.

He now also follows with a Neurologist for close monitoring. We will need to focus on Gregory's symptoms in the on-going years to be able to treat early and prevent further exacerbations.

Thank you for your time and consideration.

Sincerely,

Electronically Signed by: WANDA CHOY MD

11-1

Subject: Re: Can you circulate a quick note on your travel schedule this week to the team - thanks.

Date: Monday, December 5, 2011 at 11:17:45 AM Eastern Standard Time

From: GREG OSBORN

To: Jim Robinson

Sorry. [REDACTED] flare up. Slept 14 hours in a row. Will call this afternoon.

--
Gregory J. Osborn
Managing Partner, Co-Founder
Middlebury Group, L.L.C.
170 East Ridgewood Ave.
Ridgewood NJ 07450

Cell: [REDACTED]
Office: 201 670 4386
Fax: 646 514 3980
Greg@middsec.com
www.Middleburygroup.com

"Some people want it to happen, some wish it would happen, others make it happen."

-- Michael Jordan

"The little things, I can obey. But the big things - how we think, what we value - those you must choose yourself. You can't let anyone - or any society - determine those for you."

-- Morrie Schwartz

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--
On Dec 5, 2011, at 10:23 AM, "James Robinson" <jrobinson@middsec.com> wrote:

Subject: Re: SEC Response Due tomorrow - we NEED facebook investor lists & other requested docs today.

Date: Sunday, December 11, 2011 at 1:05:04 PM Eastern Standard Time

From: GREG OSBORN

To: Jim Robinson, Mike Teicher, Chris Shaw

[REDACTED]

Was in tears LITERALLY for 30 minutes. I almost crashed the car and am very close to going to hospital. I am doing very bad. Liz and I r scared to death. O have no idea why this is getting so much worse and/or what the fuck it is

--

Gregory J. Osborn
Co-Founder Managing Partner.
Middlebury Securities,
L.L.C. Greg@midsec.com
Office 201 670 4386
Cell [REDACTED]
EFax 646 514 3980
170 East Ridgewood Ave
Ridgewood, NJ 07450
www.middleburygroup.com

The problems we face today are there because the people who work for a living are outnumbered by those who vote for a living.

"A friend"

"It's Tough to make predictions, especially about the Future."

Yogi Berra

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11-2

From: Greg Osborn
Sent: Sunday, December 11, 2011 12:52 PM
To: James Robinson
Subject: Re: SEC Response Due tomorrow - we NEED facebook investor lists & other requested docs today.

Jim. Having a very bad day. Very bad. Almost went to hospital.
If they can't wait a few days. I can't help it. Right now I have to fix my health. I need to get funds to Nuvel by Tuesday or that blows up, \$1 mill more to Rymed by Xmas and we need to resolve Fisker

If they need a note from my doctor. I will get one. If anyone including the S.E.C. Puts any more pressure on me. I am shutting down. I almost went to the hospital 2 hours ago
I simply can't prioritise this in anyway.
Sorry

--
Gregory J. Osborn
Co-Founder Managing Partner.
Middlebury Securities,
L.L.C. Greg@midsec.com
Office 201 670 4386
Cell [REDACTED]
EFax 646 514 3980
170 East Ridgewood Ave
Ridgewood, NJ 07450
www.middleburygroup.com

The problems we face today are there because the people who work for a living are outnumbered by those who vote for a living.
"A friend"

"It's Tough to make predictions, especially about the Future."
Yogi Berra

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11-3

EXHIBIT #12

Recommendation from former workers and managements.

1. Eric Brachfeld – Securities Manager and former 20 year partner.
2. Jordan Stanley, Former Fortune 500 EVP, CEO Freeride media- client
3. Jay Elliot Former Apple EVP w Steve Jobs, Founder Nuvel Inc. (he also credits me in his book)
Former client.
4. Glenn Rink – CEO of Nuvel, President of WaterKeepers Foundation (RFK Jr.) - Client / Friend

ERIC BRACHFELD
890 WEST END AVENUE, APT. 16D
NEW YORK, NY 10025

June 13, 2016

[Address]

I am writing in support of Greg Osborn, whom I have known as a friend and colleague for 18 years. I have been in the financial services industry for almost 30 years as an investment banker, investor, and operations executive. During this period, I have been the founder, CEO and/or chief compliance officer of five broker-dealers. I was a co-founder of Middlebury Securities, although I have not been affiliated with that firm for more than 10 years. I graduated with a B.A. in economics from the University of Pennsylvania, and an MBA with Honors from the Stern School of Business, New York University. Currently I am Managing Partner of Manhattan Venture Partners, a boutique merchant bank.

In my career, I have worked on perhaps hundreds of transactions and encountered thousands of people. Yet Greg stands out as truly an exceptional individual. I have never met someone as magnanimous, charismatic or energetic as Greg. He is supremely honest, trustworthy and loyal, and as a result has engendered tremendous goodwill and fostered numerous deep, long-term relationships. It is telling that Greg maintains contact with professionals and investors from every stage of his career. It is also telling that Greg has been able to forge personal bonds with people from all walks of life – ranging from administrative employees or cashiers to CEOs of the world's largest corporations.

I have personally witnessed Greg engage time and again in selfless behavior. He has worked tirelessly, for years, with no compensation, to salvage investments that went bad because he felt an obligation to investors. He invested his own money into transactions to support companies for which he raised capital – sometimes against my advice, because I thought it imprudent given his personal financial condition. He worked for years to personally repay investors to whom he felt he had an obligation, even when he could easily have dodged responsibility.

Outside of business, Greg is equally responsible. He is a great family man, help raise two step-children as well as his own son with his wife. He is caring and attentive to all those around him, and takes a great burden on his shoulders for financial and emotional support. He cares even for those he has no relationship with. One time, we were walking up Madison Avenue, and we saw an elderly man clearly in some kind of distress. This being New York City, it would have been easy to walk on by and not get involved. But Greg quickly assessed the situation, darted into the nearby fancy shoe store and insist they let him take a chair for the man to rest on. He stayed with the man until he was able to get back on his feet. This was quintessential Greg Osborn – attentive to others, quick to action, and results-oriented.

12-1

Greg is highly emotional, and I believe his situation has done irreparable harm to his mental health, depriving him of the opportunity to earn a living, support his family, and be a valuable member of his community. He has already paid a dear price for any transgressions he may have committed.

I am not familiar with the details of Greg's current difficulties, but I am quite certain that any mistakes Greg may have made were errors of enthusiasm, and his intentions were noble. If I were ever in a difficult situation, there is no one I would trust more than Greg to come to my assistance and do the right thing.

I hope you take this information into consideration when evaluation the disposition of Greg's case. Please feel free to contact me at 646-867-3579 or eric@brachfeld.org if I can provide further insight.

Respectfully yours,

Eric Brachfeld

12-2

From: Jordan Stanley stanleymarketing@yahoo.com
Subject: Re: Jordan Stanley - referral
Date: May 11, 2016 at 11:06 AM
To: Jonathan Berman jonathan.berman@meticx.com
Cc: Nir Talmor nir.talmor@meticx.com, Joeseph Deutsch joseph.deutsch@meticx.com, Greg Osborn Greg.osborn@zapgocharger.com

Hello Jonathan,

I am delighted to refer Greg Osborn to lead your financing initiatives on this extraordinarily innovative and important project here in the U.S.

I have known Greg for nearly 20 years, starting when he led funding on my Internet start-up, FreeRide LLC; a breakthrough marketing portal that had the potential to aggregate literally hundreds of sponsors, which at the time we met, was in its most nascent stages.

Greg has a rare gift for being able to see the future of a concept and make it a reality. I saw, first hand, how Greg lives for the success and triumph of his projects, and invests his heart, mind and spirit in them. He has a rare talent for being able to keep his eye on all the moving parts in a project--its investors, its creators, its customers and those managing it, because he understands that managing all those constituents is integral to true success.

Beyond that, I have never met anyone who exhibits greater integrity, or is of higher moral and ethical caliber; or anyone quite as conscientious, thoughtful and personable in this or any other business. As the CEO of a business funded by Goldman Sachs and \$33M through Greg's efforts, I was able to concentrate on running, managing and growing my business because Greg had my back with my investors and had an eye on all the moving parts. He is thoughtful but decisive, creative and focused, and doesn't let anything stand still!

Given all the incredible effort you've expended in creating your product, bringing together all the diverse elements in a single devise of such remarkable innovation, and with so much at stake in continuing to make all the right moves going forward, my opinion is that you are in good hands with Greg!

Best,

Jordan Stanley
SMW
15 Ducharme Lane
Greenlawn, NY 11740
ph: 631.262.0282
mobile: 917.608.2126
fax: 631.757.6249
e-mail: stanleymarketing@yahoo.com
website: www.stanleymarketingworks.com

12-3

From: **Greg Osborn** gregosborn@me.com
Subject: Fwd: Jay Elliot - referral
Date: August 31, 2016 at 4:51 PM
To:



Jonathan, NIR, and Joseph

I am very happy to highly recommend Greg Osborn for helping you in establishing your business in the US. Greg did a masterful job in helping fund, develop, and manage my first company, Migo. By the way, Because of Migo, I spent a lot of time with one of my partners in Israel, M-Systems. They eventually got bought by SanDisk.

Through Greg's efforts we raised significant funds and made Migo a worldwide success, with over 25 million Migos being sold. The great thing about Greg is his energy and the way he intuitively understands your business and products and can represent it to any group of interested parties, (bankers, strategic partners, sales/distribution partners, or board members) as well as you could. His effort with my latest company, Nuvel, has also been extremely helpful.

A great 11 year relationship and I find Greg to have the highest standards of ethics and very trustworthy.

If you would want to discuss this further we can set up a call.

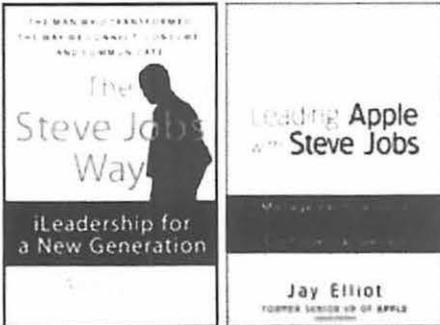
Best

Jay



Jay Elliot
CEO

20 S. Santa Cruz Ave. Suite 300
Los Gatos, CA. 95030
408.234.3808 mobile
www.imedgo.com



12-4

From: Glenn Rink grink@abtechindustries.com
Subject: Re: Referral - Glenn Rink
Date: May 16, 2016 at 12:58 PM
To: Greg Osborn gregosborn@me.com
Cc: Joeseeph Deutsch joseph.deutsch@meticx.com, Jonathan Berman jonathan.berman@meticx.com, Nir Talmor nir.talmor@meticx.com

Hi Greg

As I mentioned in my prior email I will be tied up most of this week and traveling all of next week but I wanted to respond ASAP. Please excuse me for doing so on my phone.

Hi Joseph, Jonathan & NIR,

I would be happy to speak with you in greater detail regarding Greg and his work. In the meantime, briefly as I'm between meetings.

Greg worked with us over several years and was extremely helpful on so many fronts. He took the time to gain a broad base of understanding on our business, issues and his persistence was invaluable. He was directly and at times indirectly responsible for guiding me in various areas from banking to business development. He even traveled to Europe with me and was always enthusiastic, passionate and committed to our effort and that of clean water. He took the time to understand our market and the opportunities as well as the barriers. He offered outstanding technical, board advisors, business development relationships and was relentless in his desire and commitment to help. His vision, business development skills as well as negotiation skills are amazing as was his dedication to the cause. He was also extremely helpful in identifying strategic parties/distribution to work with so we were not reinventing the wheel. He has a large base of existing relationships in what seemed like every field and more importantly was always willing to call upon them.

I'm not familiar with your business and assume you're private but Greg broad base of skills offered me endless opportunities to push forward at some extremely difficult times. I will always be grateful for his effort and friendship. One of the great things about Greg was that I did not feel it was about the money. As there were many times he helped without any compensation. I've not known Greg to take on any project without the confidence he could help and ultimately succeed

If you would like to discuss this further I will be available on Thursday or Friday of this week and traveling all of next week. Please let me know.

My apologies for the delayed and brief response and again for doing so on my phone.

Please excuse any grammatical errors

Thanks

Glenn Rink

Sent from my iPhone

On May 10, 2016, at 5:17 PM, Greg Osborn <gregosborn@me.com> wrote:

Glenn please meet Joseph, Jonathan & NIR.

They have founded and launched a Company called Meticx, a new disruptive Beauty product of which a vast amount of women and facilities throughout the world would want to own and use.

Jonathan, NIR and Joseph meet Glenn Rink, the CEO & Founder of Abtech Technologies. I have assisted Glenn and Abtech repeatably in various areas over the years. He has become a true friend.

Glenn,

I am very excited about the Meticx team and their technology, it's products and prospects.

The team is Israeli based and is looking for a trusted partner here in America to assist them on various fronts. These includes advising the structuring of rounds, introductions and negotiations of bankers, strategic business introductions and development, sales, distribution partners, and identifying spokeswomen, and board members and finally possible assistance with a reverse merger.

The need a person they can rely on and trust that can be their face here in America that can take direction, and execute from financiers to product sell through, distribution and key introductions.

This person should have a balance of the following, characteristics: He should be trustworthy, visionary and enthusiastic. He should have an expertise in Finanacial structuring, sales and have an "A" Network that he can develop efficiently and successfully for them.

I have told them, I have done the same for you and Abtech repeatably, with loyalty and without fail. I feel I am that person for Meticx as well. They have asked for three referrals and I thought of you.

Would you be so kind to respond with a written referral regarding me and take their call if needed?

This is a project that I know I can drive successfully here in America and would appreciate your endorsement.

Thank you.

I remain,

12-5

EXHIBIT #13

LOANS to employees, Character of Robinson example.

1. Loans a client did to 24's Robinson, and Teicher and Rep Shaw. I secured them with my assets. Yet FINRA only charges me I don't get it.
2. Further WILLI \$100,000 missing this inspired Rorke \$80k and Lane \$50k loans to Middsec at Robinsons pleading.
3. Team Middsec not honoring payments to Chinese group on help with Fisker. (surprised FINRA didn't charge me.)

Subject: ALAN millers \$45k loan.

Date: Monday, May 2, 2011 at 12:37:30 PM Eastern Daylight Time

From: GREG OSBORN

To: Jim Robinson, Chris Shaw, mteicher@teicherlesk.com, Craig Sherman

LOANS

Craig

Please wire to Alan Millers PERSONAL account, not his broker deal \$45k.

This amount is to pay off a loan against Bacterin Stock by Mike, Chris and Jim- furtger guaranteed by me. I need this liability removed as agreed asap.

Thanks. .

It is however to be booked as ordinary income to Jim, Chris and Mike T as described below and taken from their Fisker revenues.

\$25k Jim Robinson

\$10k Mike Teicher

\$10k Chris Shaw

I will have Alan send his personal wire instructions imminently.

Thanks.

Gregory J. Osborn

Co-Founder Managing Partner.

Middlebury Securities,

L.L.C. Greg@middsec.com

Office 201 670 4386

Cell [REDACTED]

EFax 646 514 3980

170 East Ridgewood Ave

Ridgewood, NJ 07450

www.middleburygroup.com

"It's Tough to make predictions, especially about the Future."

Yogi Berra

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13-1

Subject: Re: Expenses

Date: Monday, February 27, 2012 at 10:16:39 AM Eastern Standard Time

From: GREG OSBORN

To: Craig Sherman

We need to bill jim \$100k ASAP FOR willi's loss. ASAP. OR TAKE 50% OF HIS INCOME UNTIL THAT AND THE LOANS ARE PAID IN FULL

--
Gregory J. Osborn
Co-Founder Managing Partner.
Middlebury Securities,
L.L.C. Greg@middsec.com
Office 201 670 4386
Cell [REDACTED]
EFax 646 514 3980
170 East Ridgewood Ave
Ridgewood, NJ 07450
www.middleburygroup.com

The problems we face today are there because the people who work for a living are outnumbered by those who vote for a living.

"A friend"

"It's Tough to make predictions, especially about the Future."

Yogi Berra

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----- Original Message -----

From: Greg Osborn

Sent: Monday, February 27, 2012 10:15 AM

To: Craig Sherman

Subject: Expenses

Craig

I want to see what the firm lent to others.

I want to see how much we find Jims RIA

I don't want any god dang bs emails until you explain their purpose

The firm is funding my layer

13-2

Subject: FW: Loan to Greg osborn

Date: Friday, September 30, 2011 at 11:38:18 AM Eastern Daylight Time

From: GREG OSBORN

To: Mike Teicher

--

Gregory J. Osborn
Managing Partner, Co-Founder
Middlebury Group, L.L.C.
170 East Ridgewood Ave.
Ridgewood NJ 07450

Cell: [REDACTED]
Office: 201 670 4386
Fax: 646 514 3980
Greg@middlesec.com
www.Middleburygroup.com

"All life is a chance. So take it!
The person who goes furthest is the one
who is willing to do and dare."
- Dale Carnegie

"You can always count on America to do the right thing – after it has exhausted all the
other possibilities"
--Winston Churchill

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lost,
destroyed, arrive late or incomplete, or contain viruses. The sender
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contents of this message which arise as a result of e-mail transmission.
If
verification is required please request a hard-copy version. The
information contained in this email has been obtained from sources
believed
to be reliable; however, Middlebury Securities, LLC does not attest to
its
completeness or accuracy. The information contained herein is intended

13-3

Subject: that 100k from willi is MY money as that is only a % of what i have had to put ou.. i cant pay my bills.. if it was reversed i am sure you would kill me

Date: Saturday, December 10, 2011 at 11:28:30 AM Eastern Standard Time

From: GREG OSBORN

To: James Robinson

13-4

Subject: Re: Payments.

Date: Friday, July 20, 2012 at 3:07:04 AM Eastern Daylight Time

From: Gregory Osborn

To: Hans, Bryan Dear, Craig Sherman, Jim Robinson

Craig/Jim

There are 2 solutions here. Either we pay Hans/Brian or then we pay Amanda Craig. You personally created the excel spreadsheet and we have multiple emails to this effect. This is simply wrong

NEW CONTACT INFORMATION:

Gregory J. Osborn
Managing Director - Investment Banking
Axiom Capital Management, Inc
780 Third Ave, 43rd Floor
New York, N.Y. 10017
212-521-3897 office
212-521-3888 Fax
[REDACTED] Cell
800-686-8320 Toll Free
Gosborn@axiomcapital.com

"It's tough to make predictions, especially about the future."
-- Yogi Berra

"Some changes look negative on the surface but you will soon realize that space is being created in your life for something to emerge."
-- Eckert Toll

----- Original Message -----

From: Yeo Han Yong [<mailto:hy@calneva.cn>]

Sent: Thursday, July 19, 2012 10:44 PM

To: bd@calneva888.com <bd@calneva888.com>; Craig Sherman <csherman@middcap.com>; Greg Osborn; James Robinson <jrobinson@middsec.com>

Subject: Re: Payments.

Greg,

There is no record before you did not sign a fee agreement with us for the December 2011 Capital Call and the March 2011 Rights Issue despite our many attempts for you to send us a contract.

Please help facilitate this. We don't want to have to raise this up with Fisker Automotive that their Financial Advisors dragged their feet to sign a fee agreement and pay us as Foreign Finders.

We don't want to have to send Fisker Automotive all your emails to us.

13-51

On 18/07/2012 00:29, "Bryan Dear" <bd@calneva888.com> wrote:

Guys this is wrong! We were asked in the beginning to see if we had investors who wanted in . We were told what the commission was and that we would be paid after the funding. We did exactly what was asked from us and the commission was paid even though it took awhile. Then there was a call for more money which we spoke to our investors and some of them put more dollars up. Again we were told we would get a fee for doing this. We asked to be paid in full for the last 6 months, but Greg told us that Finra was there doing an audit and be patient because as soon as they are finished he would be able to send it. At the time of commitment from Greg he was a managing partner of the firm. So now he's gone and you are saying you have no knowledge of this commitment or the monies that was wired?

You are turning this around like its our problem which is not fair game!

Bryan

Sent via BlackBerry from T-Mobile

-----Original Message-----

From: Craig Sherman <csherman@middcap.com>

Date: Tue, 17 Jul 2012 11:36:40

To: Greg Osborn<gosborn@axiomcapital.com>; hy@calneva.cn<hy@calneva.cn>; James Robinson<jrobinson@middsec.com>

Cc: Bryan Dear<bd@calneva888.com>

Subject: Re: Payments.

AS previously stated please provide the excel spreadsheet in which you reference. Please forward any an all documents regarding this as the Broker Dealer has never rec'd any such supporting documents to release any such funds. The BD did not pay the fees you refer to during May of 2011, nor does it have any record on it's books regarding it. In order for a Broker Dealer to accept any such liability we are in need of the following:
Any written agreements pertaining to the liability
If no agreements exist please forward me any other supporting documents, inclusive of emails.

Thanks

Regards,

Craig J. Sherman

Middlebury Securities LLC

FIN/OP Manager

www.themiddleburygroup.com

Middlebury Capital Svc

Operations Manager

1043 Sheep Farm Rd., Weybridge VT 05753

Office +1 802 458 0369 Mobile +1 802 922 1854 Fax +1 8024193738

P Before printing, please think about the environment.

13-5

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On 7/17/12 11:32 AM, "Greg Osborn" <gosborn@axiomcapital.com> wrote:

Yes,

But the cash fees were from the broker Dealer for which jim and Craig manage.

I do not, nor ever had access to those funds.

On 7/17/12 10:52 AM, "hy@calneva.cn" <hy@calneva.cn> wrote:

Dear Greg,

According to James Robinson, you are still legally in charge of your SPV for whom we raised money from Dr Finian Tan, Vickers Ventures, Phillip Lord, Sam Jones and Mr Zhang.

We raised money for your SPV last year and got paid and we have emails to prove this.

We subsequently raised additional money for your SPV during the Dec 2011 Capital Call and Mar 2012 Rights Issue.

We have emails from you since January promising to pay us to no avail. Please instruct Craig and James at Middlebury to pay us or we are going to legally bring this to the attention of Fisker Automotive.

Craig has the calculation in excel, as we do.

Han Yong Yeo.

M +8615002120027

Sent from my BlackBerry Wireless Handheld from M1.

13-6

EXHIBIT #14

Personal loan example and asset sales to put food on the table and pay insurance premiums last two years.

FROM THE DESK OF
GREGORY J. OSBORN

PERSONAL LOAN AGREEMENT

- 1. Amount: \$27,500.00
- 2. Maturity: March 31, 2015 (Your Birthday)
- 3. Interest: 6% and 10,000 in shares/warrants of future projects to be delivered by year end. Can be diversified in two projects

January 27, 2015

H
E
H

PERSONAL

LOAN

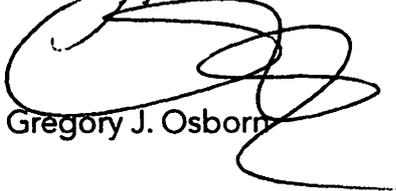
De
Pl
a \$
you

I fu
term.

On b
supp
earliest attendance to this wire transfer would be greatly appreciated.

Wire instructions in attached email.

Sincerely yours,



Gregory J. Osborn

1/27/15

14-1

April 21,2014

\$20,000 Curt Brockelman Loan & Payment Schedule:

Amount: \$20,000.00

Maturity: NO LATER THEN May 21,2016

To paid immediately upon sale of (\$35k) LEAI, accrued income from ZapNGo (\$60k) and repayment of Nuvel Repayable to Greg by Company \$37,500;

Personal Guarantee; Personally guaranteed by Greg Osborn.

Purpose:

To continue to help a friend and family in need who has worked diligently on various investments for all for free.

OUTSTANDING LOAN:

\$99,000.00 Balance Schedule:

This loan will be paid at \$750 a month until one of the following events takes place, which will allow for the accelerated repayment. As I am only making \$15k a month as I build Zap, this is the best I can do. I have quit golf club, I have given up everything to fix this.

Sale of all or part of \$662,000 Nuvel Stock at \$14. I will sell at \$7 to satisfy if I have to.
\$390,000 of performance Nuvel Common shares.

Sale of Wife's Baskin Robbins piece.

Liquidity event in Battery Company.

Other opportunities at hand, including, but not limited to Meticx (Nail) Crunchers etc.

Regards,



Gregory J. Osborn
202 Mountain Ave
Ridgewood, NJ 07450

14-2

FROM THE DESK OF

GREGORY J. OSBORN

George & Linda Thayer.
423 S Chestnut St.
Westfield NJ, 07090

September 02, 2016

Dear George and Linda,

As per our agreement, you are lending Liz and me **\$25,000 (Twenty Five Thousand)** for 4-8 WEEKS at a 7% APR and \$200 in processing fees. I will also provide an additional 5000 warrants of my next project, hopefully ZapNGo Chargers.
WWW.ZAPNGOCHARGER.COM

Let this letter serve as my PERSONAL GUARANTY of this liability to you and my earnest intent to repay it as described above.

As always I appreciate the confidence, support and flexibility from the both of you. I will continue to return the favor over the ensuing years. It is a great asset being able to have you here for us versus the potential misunderstanding or embarrassment with a client or neighbor.

Thank you.

I will send our wire instructions separately.

Sincerely yours,

Gregory J. Osborn

14-3

George Eberle

60 day Promissory Note

\$5,000

March 8, 2016

This note for \$5,000 made by me is 100% personally guaranteed by Gregory J. Osborn the lender. This is to mature April 15, 2016. In addition to this note, there is interest and a transaction fee of \$100. The purposes of this note is to enable Mr Eberle to assist Mr Osborn and his family with various life expenses thru the finality of various closings of Orange Hook and Zappo and other assets being liquidated by Mr Osborn.

In addition to the transaction fee. Greg Osborn will yield \$5,000 in series A warrants to Mt Eberle for his efforts to assist quickly and the \$5,000 loan

The Promisor reserves the right to prepay this note (In whole or in Part) prior to the Due Date with no prepayment penalty.

Wire instructions are being sent separately. In the cover letter via email.

Agreed & Accepted March 8, 2016

Mr. Gregory J. Osborn

Gregory J Osborn
202 Mountain Ave
Ridgewood, N.J. 07450

14-4

LOAN AGREEMENT

JOE CASALI

Joe,
As discussed, here are the updated terms to the three week loan from yourself to me, Greg Osborn. I apologize for the delay. As a result, i will yield you \$7,500 in ZapnGo shares/warrants. I have also added a \$100.00 a week transaction fee.

This is personally guaranteed by me.

AMOUNT: \$15,000

Transaction Expense \$1,000

MATURITY: Friday, December 11th, 2015

WARRANTS/SHARES: \$7,500 - WARRANTS/SHARES OF ZAPNGO Charger LTD.
AS AGREED THIS DAY VERSUS THE ORIGINAL \$5,000.

I THANK YOU FOR YOUR PATIENCE AND SUPPORT..

GREGORY J OSBORN

Check number 5592 enclosed for \$15,400

14-5

William P. Esping
2828 Routh St., Suite 500
Dallas, Tx. 75201

BFT Sale and \$25k immediate loan

Sale / Loan

October 6, 2015

The below is an outline of a agreement between Gregory J Osborn of Ridgewood NJ and William P Esping of Dallas Tx.

1. Greg is negotiating the sale of up to 1225 BFT to Mr Esping for \$150 a share or \$183,500. Price is subject to change (at Mr Espings request.) Greg stands by this price barring an insider with first rights demanding it as described in the BFT Operating Agreement. Greg Osborn hereby swears to pay the first \$25,000 in sale proceeds of any BFT Stock to Mr. Esping for repayment of this \$25,000 loan.

2. In the meantime, Mr Esping will wire \$25,000 (twenty five thousand) dollars to Mr Osborn on Tuesday Oct 6, 2015. This will be for the prepayment on the BFT share purchase or reimbursement of the sale of Mr. Osborn's shares to the Company or any other third party. This is to assist Mr Osborn with immediate personal needs. Mr Osborn will repay this him in 30 days by selling these shares tas anticipated to Mr. Esping or another party should Mr Esping pass. This additional \$25,000 will be insured by all the same assets of the current outstanding. \$65,000. I will send wire instructions in a separate email.

3. BFT / David Owen's affirmation. While Mr. Owens can NOT guarantee this. Mr Osborn hereby requests, empowers and entrusts Mr Owen's to assure that if any sales of Mr. Osborn's stock is made out side of Mr Esping, Mr. Owens will inform Mr. Esping and if the Company buys the stock, they will pay the first \$25,000 dollars in proceeds from the sale of Mr. Osborn's Stock to Mr. Esping. Within his control he will direct any third party.

Thank you.

Agreed & Accepted October 6, 2015

Mr. Gregory J. Osborn

Gregory J Osborn
Ridgewood, NJ. 07450

14-6

PERSONAL GUARANTEE

\$100,000

John Connors & Greg Osborn

GREGORY J. OSBORN

AS OF JULY, 2008

June 16, 2014

Curt Brockelman
530 Lake Ave
Greenwich Ct 06830

Dear Brockelman,

This letter confirms that we agreed to a personal indebtedness to you by Gregory Osborn in the amount of \$100,000 as a result of a personal loan made by you to Mr. Osborn in October 2013. It is earning at minimum 5% APR cash interest and is to be paid back at Mr. Osborn's earliest convenience.

This letter dated, June 16, 2014 reaffirms this outstanding obligation of \$100,000 plus interest to Mr. Curt Brockelman of Greenwich Ct. Mr Osborn and his family greatly appreciated the Loan and intend to pay it back as soon as possible.

The signatures below confirm the above.

By Curt Brockelman

By Gregory J. Osborn

14-7

FROM THE DESK OF

GREGORY J. OSBORN

May 20, 2015

Lanny R. Dacus
DACUS Enterprises
555 5th Ave, NE apt 724
St. Petersburg, Fl. 33701

Dear Lanny,

As per our agreement, you are lending Liz and me \$5,000 - \$7,000 for 4-6 months at a 10% APR. In addition, we will add a \$100 processing fee and I will provide an additional 1500 shares of my next project. ZapandGo. That is an immediate value of \$1,500 dollars and we expect it to be public and possibly 5X within 12 months.

Let this letter serve as my guaranty of this liability to you and my earnest intent to repay it as described above. Your earliest attention to this would be greatly appreciated.

As always I appreciate the confidence, support and flexibility. It is a great asset having you here for us on the home front. Thank you.

I will send our wire instructions separately.

Sincerely yours,

Gregory J. Osborn

14-8

LOAN AGREEMENT

**JONATHAN SEGAL
C/O REALLY COOL GROUP
114 W 14 ST. 2ND FLR.
NEW YORK, N.Y. 10014**

THIS LETTER CONSULATES A \$7,500 (SEVEN THOUSAND, FIVE HUNDRED DOLLAR LOAN) BETWEEN GREG OSBORN AND THE REALLY COOL GROUP. GREG AGREES TO REPAY THE NOTE WITH 10% APR INTEREST BY SEPT 15, 2015 WITH 100% GOOD FAITH AND IN EARNEST.

IN RETURN, JONATHAN AGREES TO WIRE GREG OSBORN \$7,500 TO HIS CITIBANK ACCOUNT.

GREG OSBORN WILL ALSO PAY A \$100 IN TRANSACTION FEES AND 1000 SHARES OF FREE TRADING SHARES. (AN APPROXIMATE \$1,000 VALUE)

WIRING INSTRUCTIONS:

**CITIBANK
ABA # 02100089
399 PARK AVE. NY NY 10043
800 374 9700**

**FURTHER ATTENTION:
GREGORY J OSBORN
ACCT # 59712184
202 MOUNTAIN AVE
RIDGEWOOD NJ 07450
201 410-6699**

AS AGREED.,

GREGORY J. OSBORN

ELIZABETH M. LUONGO

FROM THE DESK OF

GREGORY J. OSBORN

July 24, 2015

Mr. Joeseeph Lucosky
Lucosky, Brookman LLP
101 South Wood Ave
Iselin, NJ 08830
(732) 395 4400

Dear Joe & Seth,

As per our agreement, you are lending Liz and me \$20,000 for 4-6 months at a 8% APR. In addition, we will add a \$100 processing fee and I will provide an additional 2500 shares of my next project. 5000, if we do ZAP Inc

Let this letter serve as my guaranty of this liability to you and my earnest intent to repay it as described above.

In addition, I will put up 75,000 Peer Logix shares as collateral. As per timing, I hope you understand the urgency . We will liquidate them by Thanksgiving.

As always I appreciate the confidence, support and flexibility from Lucosky Brookman i will continue to return the favor in spades over the ensuing years. It is a great asset having you here versus embarrassment on the client and/or home front. My family thanks you as well.

Thank you.

I will send our wire instructions separately.

Sincerely yours,



Gregory J. Osborn

EXHIBIT #15

Accumulated debts.

1. Mortgage default accumulations
2. IRS "Currently Non Collectable" letter.
3. Accumulated medical bills
4. Prior defaulted medical insurance bills
5. Sale of key asset, Boardwalk Frozen treats.
6. Sale of Legacy education.
7. Old car liability.

FES, PA-ALL BERGEN PEDIATRICS
 885 MAIN ST
 HACKENSACK, NJ 07601-4914

STATEMENT

Tax I.D. [REDACTED]

Tel: 201-487-3957

STATEMENT DATE PAGE
 08/11/16 1

OSBORN, GREGORY
 202 MOUNTAIN AVE
 RIDGEWOOD, NJ 07450

ACCOUNT NUMBER
 [REDACTED] / UN

MAKE CK PAYABLE TO FESPA 201-487-0947

INDICATE
 AMOUNT PAID \$ _____

Place Codes: IH=In Patient OH=Out Patient ER=Emergency Room

DATE	ICD9 CD	PL*	DESCRIPTION	AMOUNT
			Balance forward last statement	0.00
06/07/16		O	ZACHARY [REDACTED]	60.00
07/06/16			CMNP PATIENT RESPONSIBLE	60.00
06/07/16		O	ZACHARY [REDACTED]	15.00
07/06/16			CMNP PATIENT RESPONSIBLE	15.00
06/07/16		O	ZACHARY [REDACTED]	15.00
07/06/16			CMNP PATIENT RESPONSIBLE	15.00
06/07/16		O	ZACHARY [REDACTED]	100.00
07/06/16			CMNP PATIENT RESPONSIBLE	100.00
07/06/16	6/7 AS		PEER UNITED WE ARE NOT PCP	
CURRENT AMOUNT			PAST DUE AMOUNT	PLEASE PAY THIS AMOUNT
\$ 0.00			\$ 190.00	\$ 190.00

THIS BILL IS NOW OVERDUE. PLEASE REMIT PAYMENT
 THANK YOU

15-1

NPAS, Inc.

P.O. BOX 99400
LOUISVILLE, KY 40269



800922-536325193-FB

Services
Provided by:

THE VALLEY HOSPITAL

Patient Name:	Gregory J Ptasienskiosbor
Account Number:	[REDACTED]
Service Date(s):	12/16/2015 - 12/17/2015
Statement Date:	02/26/2016
Placement Date:	12/29/2015

066000

Responsible Party

GREGORY OSBORN
202 MOUNTAIN AVE
RIDGEWOOD, NJ 07450-4019

Contact Us

NPAS, Inc.
Toll Free 1-800-223-9899 Espanol: 1-800-681-9692
MON-FRI 8AM-9PM SAT 9AM-1PM ET

Please be prepared to provide the patient/responsible party full name, date of birth and mailing address. All calls may be recorded.

ATTENTION REQUIRED

Total Charges \$ 1,700.00	Total Pymt / Adj \$ 0.00	Current Balance \$ 1,700.00	Payment Due By 03/08/16	Amount You Owe \$ 1,700.00
-------------------------------------	------------------------------------	---------------------------------------	-----------------------------------	--------------------------------------

Despite our efforts, we have been unable to secure payment of this account. You are obligated to pay for the services provided. We strongly urge you to take advantage of this opportunity to resolve the balance. In the event you are unable to pay the balance in full, please contact us at 1-800-223-9899 to discuss options for resolving your account.

Payment Options

- PAY ONLINE** at your provider's website:
www.valleyhealth.com/billpay
- PAY BY PHONE** at no additional cost through our automated system during or after normal business hours. Toll Free 1-800-223-9899.
- MAIL PAYMENT:** make payment out to the provider below and send with the attached coupon to the payment address specified below.

PLEASE SEE REVERSE SIDE FOR IMPORTANT INFORMATION

Please Detach and Return This Portion With Your Payment

Statement Date 02/26/2016

If your address changed, check this box and complete form on back.

GREGORY OSBORN
202 MOUNTAIN AVE
RIDGEWOOD, NJ 07450-4019

Account Number	V009152271
Payment Due Date	03/08/16
Balance Due	\$ 1,700.00
Payment Amount Enclosed	

Please do not send cash. If paying by check or money order, please indicate account number and make payable to THE VALLEY HOSPITAL.

PLEASE DETACH THIS COUPON AND RETURN WITH PAYMENT TO ADDRESS BELOW:

THE VALLEY HOSPITAL
P.O. BOX 18998
NEWARK, NJ 07191-8998



Credit Card Authorization (please check one)			
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Credit Card Number			Exp. Date
[REDACTED]			[REDACTED]
Cardmember's Signature			\$ Amount

V009152271 0000170000 0000000000 0000000000

15-2

VALLEY EMERGENCY ROOM ASSOCIATES, PA
 PO BOX 2166
 INDIANAPOLIS, IN 46206-2166



EZ Ways To Pay...

GREGORY PTASIENSKIOSBORN
 202 MOUNTAIN AVE
 RIDGEWOOD NJ 07450-4019

@ Online
www.ezmedinfo.com/val1

Automated Attendant
 1.855.381.8192 (24 hours a day)

For Payments Please Call: 1.855.381.0338 For Billing Questions Please Call: 1.855.381.8192

Account Number	Amount Due	Statement Date	Date Due
9031-QVAL1	\$548.00	02/24/16	Upon Receipt

STATEMENT

Account Summary

Account Number	[REDACTED]
Patient Payments in Last 30 Days	0.00
Current Statement Balance	548.00
Charges Pending w/ Insurance	0.00
Total Account Balance	548.00

See Detail on Back

Insurance Information

PLEASE CONFIRM THAT INFORMATION IS CORRECT TO UPDATE GO TO www.ezmedinfo.com/val1

PRIMARY

Insurance HORIZON BC/BS
 Group/Plan
 ID Number [REDACTED]

SECONDARY

Insurance
 Address
 City/State/Zip
 Group/Plan
 ID Number



New & Improved Online Experience

Go Green

www.ezmedinfo.com/val1
Pay Online | Update Info

Gain the power to pay your bill or update your information at your convenience 24 hours a day. This not only benefits the environment it benefits you and your time!

About Your Statement

Our records indicate there is still an outstanding balance on this account. You may make a payment online. If you have insurance and your statement does not reflect your insurance information or that the claim has been filed please go online and make sure we have your correct insurance information. You can also call our automated phone system 24 hours a day at the number listed above to make a payment or update your insurance. Thank you!

See Statement Details on Back

117755-14

VALLEY EMERGENCY ROOM ASSOCIATES, PA
 PO BOX 2166
 INDIANAPOLIS, IN 46206-2166



Amount Due!

STATEMENT DATE	AMOUNT DUE	ACCOUNT NO.
02/24/16	\$548.00	[REDACTED]

CHARGES AND CREDITS MADE AFTER STATEMENT DATE WILL APPEAR ON NEXT STATEMENT.

SHOW AMOUNT PAID HERE \$

Patient Name: GREGORY PTASIENSKIOSBORN
 Invoice Number: 500311
 Billing Questions: 1.855.381.8192

MAKE CHECKS PAYABLE / REMIT TO:

117755 - 14
 GREGORY PTASIENSKIOSBORN
 202 MOUNTAIN AVE
 RIDGEWOOD NJ 07450-4019

VALLEY EMERGENCY ROOM ASSOCIATES, PA
 PO BOX 2166
 INDIANAPOLIS, IN 46206-2166

0050031100054800000000009031VAL18

Pay Online: www.ezmedinfo.com/val1



P.O. Box 65018
Baltimore, MD 21264-5018

Page: 1 / 1



GREGORY PTASIENSKIOSBORN
202 MOUNTAIN AVE
RIDGEWOOD, NJ 07450-4019

005377

Statement Date	07/25/2016
Service Rendered To	GREGORY PTASIENSKIOSBORN
Account Number	[REDACTED]
Date of Service	08/03/2015
Reference Number	9031-VAL1.994801
Debt Owed To	VALLEY EMERGENCY ROOM ASSOC. PA
Service Rendered At	THE VALLEY HOSPITAL
Amount Due	\$548.00
PAYMENT INFORMATION. KEEP THIS PORTION FOR YOUR RECORDS.	
Date Paid _____	Amount Paid \$ _____
Balance \$ _____	

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THIS BILL IS FOR THE PHYSICIAN, NOT THE HOSPITAL.

- You have been notified previously that the above referenced account has not been paid.
- AmeriFinancial Solutions, LLC will utilize all collection efforts allowable by law to collect this debt.
- To avoid additional collection efforts, you must pay the above balance.
- Make payment to AmeriFinancial Solutions, LLC using check or credit card upon receipt of this notice.
- Call 800-945-7184 if you are unable to pay the balance in full, would like to speak to an Account Representative or would like to make a payment over the phone using our free Pay by Phone system 24 hours a day 7 days a week.
- This client has authorized AmeriFinancial Solutions, LLC to report accounts to a national credit reporting agency.
- To pay online: www.PayAFS.com

This is an attempt to collect a debt by a debt collector and any information obtained will be used for that purpose.

SEE REVERSE SIDE FOR IMPORTANT INFORMATION

Payment Instructions:

Return this portion with your payment.

- ☎ By Phone at 800-945-7184
- 🌐 Online at www.PayAFS.com
- 👉 Now accepting **PayPal**

Representatives Available to Answer Calls: 800-945-7184
Monday-Thursday 8am - 7pm, Friday 8am - 4:30pm EST



Scan to Access
our Mobile
Payment Site

Write your Account # and Phone # on your check.
Mail this stub in enclosed envelope.
Make checks payable to:
AmeriFinancial Solutions, LLC

IF PAYING BY CREDIT CARD, PLEASE FILL OUT BELOW

<input type="checkbox"/> MASTERCARD	<input type="checkbox"/> VISA		
CARD NUMBER	AMOUNT PAID		
SIGNATURE	3 OR 4 DIGIT CODE	CARD EXP. DATE	
CARDHOLDER NAME	ACCOUNT NUMBER	23438999	
DEBT OWED TO	AMOUNT DUE	\$548.00	
VALLEY EMERGENCY ROOM ASSOC. PA			



AFSSM
AMERI FINANCIAL
SOLUTIONS, LLC

P.O. Box 65018
Baltimore, MD 21264-5018



15-4

08151623438999200548008



P.O. Box 65018
Baltimore, MD 21264-5018

Page: 1 / 1



GREGORY PTASIENSKIOSBORN
202 MOUNTAIN AVE
RIDGEWOOD, NJ 07450-4019

002263

Statement Date	05/23/2016
Service Rendered To	GREGORY PTASIENSKIOSBORN
Account Number	
Date of Service	12/16/2015
Reference Number	9031-VAL1.1034132
Debt Owed To	VALLEY EMERGENCY ROOM ASSOC. PA
Service Rendered At	THE VALLEY HOSPITAL
Amount Due	\$358.00
PAYMENT INFORMATION. KEEP THIS PORTION FOR YOUR RECORDS.	
Date Paid _____	Amount Paid \$ _____ Balance \$ _____

101

THIS BILL IS FOR THE PHYSICIAN, NOT THE HOSPITAL.

- This is an attempt to collect a debt by a debt collector and any information obtained will be used for that purpose.
- The balance shown above is seriously delinquent and must be paid.
- Call 800-945-7184 if you would like to speak to an Account Representative to assist you in resolving this debt or you can make a payment over the phone using our free Pay by Phone system 24 hours a day 7 days a week. Your account may be reported to the credit bureau if left unpaid.
- To pay online: www.PayAFS.com

Unless you notify this office within 30 days after receiving this notice that you dispute the validity of the debt or any portion thereof, this office will assume this debt is valid. If you notify this office in writing within 30 days from receiving this notice that you dispute the validity of this debt or any portion thereof, this office will obtain verification of the debt or obtain a copy of a judgment and mail you a copy of such judgment or verification. If you request this office in writing within 30 days after receiving this notice this office will provide you with the name and address of the original creditor, if different from the current creditor.

SEE REVERSE SIDE FOR IMPORTANT INFORMATION

Payment Instructions:

Return this portion with your payment.

- ☎ By Phone at 800-945-7184
- 🌐 Online at www.PayAFS.com
- 🌐 Now accepting **PayPal**

Representatives Available to Answer Calls: 800-945-7184
Monday-Thursday 8am - 7pm, Friday 8am - 4:30pm EST



Scan to Access
our Mobile
Payment Site

Write your Account # and Phone # on your check.
Mail this stub in enclosed envelope.

Make checks payable to:
AmeriFinancial Solutions, LLC

IF PAYING BY CREDIT CARD, PLEASE FILL OUT BELOW

<input type="checkbox"/> MASTERCARD <input type="checkbox"/> VISA	
CARD NUMBER	AMOUNT PAID
SIGNATURE	3 OR 4 DIGIT CODE CARD EXP. DATE
CARDHOLDER NAME	ACCOUNT NUMBER 23382909
DEBT OWED TO VALLEY EMERGENCY ROOM ASSOC. PA	AMOUNT DUE \$358.00



P.O. Box 65018
Baltimore, MD 21264-5018



06131623382909000358006

15-5

Fazzio Law Offices

164 Franklin Turnpike
Mahwah, NJ 07430

Statement

Date
8/18/2016

To:

Gregory Osborn
202 Mountain Ave.
Ridgewood, NJ 07450

Amount Due	Amount Enc.
\$8,144.93	

Date	Transaction	Amount	Balance		
06/30/2016	Balance forward		11,144.93		
07/13/2016	202 Mountain Ave, Ridgewood- PMT #Wire.	-2,952.05	8,192.88		
07/13/2016	Tax- PMT #Wire.	-2,047.95	6,144.93		
07/21/2016	Due 07/21/2016. Retainer Replenishment -- RR \$2,000.00	2,000.00	8,144.93		
			156		
CURRENT	1-30 DAYS PAST DUE	31-60 DAYS PAST DUE	61-90 DAYS PAST DUE	OVER 90 DAYS PAST DUE	Amount Due
0.00	2,000.00	1,510.50	4,308.78	325.65	\$8,144.93

Foot & Ankle Orthopaedic Surg
 420 E 72nd Street
 NEW YORK, NY 10021
 Return Service Requested

<input type="checkbox"/> MasterCard	<input type="checkbox"/> MASTERCARD	<input type="checkbox"/> VISA	<input type="checkbox"/> VISA	<input type="checkbox"/> AMER. EXP.
CARD HOLDER NAME (PLEASE PRINT NAME)			ZIP CODE	SECURITY CODE
CARD NUMBER			AMOUNT	
SIGNATURE			EXP DATE	

STATEMENT DATE	PAY THIS AMOUNT	ACCOUNT NO.
07/24/15	\$400.00	1-18538.0
		SHOW AMOUNT PAID HERE \$

For Billing Questions, Please Call:
 (212) 203-0740

ADDRESSEE:

MAKE CHECKS PAYABLE / REMIT TO:

ELIZABETH OSBORN
 202 MOUNTAIN AVENUE
 RIDGEWOOD, NJ 07450-4019



Foot & Ankle Orthopaedic Surg
 420 E 72nd Street
 NEW YORK, NY 10021



Please check info

STATEMENT

PLEASE DETACH AND RETURN TOP PORTION WITH
 YOUR PAYMENT IN ENCLOSED ENVELOPE

FORWARDING SERVICE REQUESTED

05/19/16



[Redacted]

[Redacted]

202 MOUNTAIN AVE
RIDGEWOOD, NJ 07450-4019



RE: Account Number: [Redacted]
Balance: \$3,445.33

Dear Customer (s):

Mercedes-Benz Financial Services is showing a balance on the account referenced above. If you have recently sent in payment for this amount, please disregard this notice.

For your convenience, there are several options available to pay your statement amount. You may mail a check or pay by phone with check, credit card or debit card. If you choose to pay by mail, please include your account number on your remittance and send to the address below.

Mercedes-Benz Financial Services
PO Box 5209
Carol Stream, IL 60197-5209

If you need further assistance or would like to make your payment over the phone, please feel free to contact us at (866) 652-2523. Once again, we thank you for your business and look forward to serving you in the future.

Sincerely

Mercedes-Benz Financial Services
Office Hours (CST): Monday - Friday: 7am - 5pm

Mail Other Correspondence To:

Mercedes-Benz Financial Services
Attn: Internal Recovery Team
P.O. Box 685
Roanoke, TX 76262

*Amount may not include property taxes assessed but not yet billed by a taxing unit. Such amounts remain your responsibility.

Important Notice

This letter is from a Creditor and is an attempt to collect a debt. Any information obtained will be used for that purpose.

Mercedes-Benz Financial Services USA LLC, an authorized servicer for DCFS Trust and Daimler Trust

157



Horizon Blue Cross Blue Shield of New Jersey

Independent Licensee of the Blue Cross and Blue Shield Association

IMPORTANT: KEEP THIS PORTION OF BILL

ACCOUNT #: [REDACTED]
INVOICE #: 041705629

STATEMENT DATE: 04/06/2016
PAYMENT DUE DATE: 05/01/2016

SUMMARY OF TRANSACTIONS

<u>DATE:</u>	<u>DESCRIPTION:</u>	<u>AMOUNT:</u>	
	Previous Balance	\$8,963.94	
	Total Past Due:	\$8,963.94	
04/06/2016	Term Member/Contract (04/01/2016)	\$6,793.52	CREDIT
	Total Current Balance:	\$6,793.52	CREDIT
	Pay This Amount:	\$2,170.42	

Beginning April 1, 2016, Horizon BCBSNJ members will have free access to AllClear Identity Repair services. If you become a victim of identity theft, AllClear Identity Repair can help you recover your financial losses and restore your credit report to its pre-fraud state. To learn more, visit HorizonBlue.AllClearID.com.

IMPORTANT NOTICE:

- Please visit us online at HorizonBlue.com/Members to review your claims, benefits and more.

YOU CAN MAKE A PAYMENT:

- Online - Sign into HorizonBlue.com/Members and use your 9 digit account number
- By Phone - Call 1-888-778-2005
- By Mail - Send payment stub and check payable to Horizon Blue Cross Blue Shield of NJ
- Please note a \$25 fee will be incurred for all payments returned to Horizon BCBSNJ
- Now accepting credit card payments. You can also setup recurring payments using your credit card at HorizonBlue.com/Members

HorizonBlue.com/Members



Horizon Blue Cross Blue Shield of New Jersey

Independent Licensee of the Blue Cross and Blue Shield Association

STATEMENT DATE: 04/06/2016
ACCOUNT #: [REDACTED]
INVOICE #: 041705629

Pay this Amount
\$2,170.42

Due Date
05/01/2016

Amount Enclosed

11PP-06N SEQ # 2089450

C J130235C 091234

ATTN: OSBORN, GREG
202 MOUNTAIN AVE
RIDGEWOOD, NJ 07450-4019



HORIZON BLUE CROSS BLUE SHIELD OF NJ
PO BOX 10193
NEWARK, NJ 07101-3117

15-8

0994114007 0417056296 161620 0002170420 5



P.O. Box 619063
 Dallas, TX 75261-9063
 RETURN SERVICE ONLY
 Please do not send mail to this address

2-750-05812-0023331-005-1-000-010-000-000



 ELIZABETH M LUONGO-OSBORN
 GREGORY OSBORN
 202 MOUNTAIN AVE
 RIDGEWOOD NJ 07450-4019

Mortgage Statement

Account Number [REDACTED]
 Payment Due Date 03/01/15
Amount Due \$110,009.60
If payment received after 02/16/16, \$507.40 late fee will be charged.

Contact Us

 **General Customer Service:** 1-800-724-2224
Property Tax: 1-866-406-0949
Property Insurance: 1-888-882-1847



Correspondence Address: Lending Services, Customer Support
 P.O. Box 1288
 Buffalo, NY 14240-1288

Payment Mailing Address: P.O. Box 62182
 Baltimore, MD 21264-2182



www.mtb.com/mymortgageinfo

Statement Date: 01/19/16

Account Information

Property Address 202 MOUNTAIN AVE
 RIDGEWOOD VLG NJ 07450 4019

Interest Rate 5.875%
 Maturity Date 11/2035
 Outstanding Principal* \$999,724.07
 Escrow Balance -\$22,005.69

* This is NOT a payoff figure. To obtain the full amount required to pay off your loan, please call us at 1-800-724-2224 or fax your request to 1-866-409-2653.

Explanation of Amount Due

Principal	\$2,217.50
Interest	+\$4,872.93
Tax/Insurance	+\$3,131.52
Other	-\$74.00
Amount Billed this Statement	\$10,147.95
Amount Unpaid from Prior Statement	+\$91,953.90
Unpaid Late Charge(s)	+\$3,981.00
Recoverable Corporate Advance**	+\$3,926.75
Total Amount Due 02/01/16	\$110,009.60

Important Messages

Our records indicate that your account is currently in foreclosure. The amount reflected above is not necessarily the amount that is required to reinstate your loan. Prior to sending any funds/payments please contact the attorney firm handling your foreclosure to obtain the current reinstatement or payoff amount. A letter was previously sent to you with this contact information. If you are unsure what attorney firm is handling the foreclosure, please contact a Foreclosure Specialist at 1-800-724-1633.

Past Payments Breakdown

	Paid Since Last Statement	Paid Year-to-Date
Principal	\$0.00	\$0.00
Interest	\$0.00	\$0.00
Escrow (Taxes & Insurance)	\$0.00	\$0.00
Fees	\$0.00	\$0.00
Partial Payment (Unapplied)	\$0.00	\$0.00
Total	\$0.00	\$0.00

Transaction Activity

Transaction Date	Due Date	Description	Total Received	Principal	Interest	Escrow	Optional Products	Subsidy	Unapplied Funds	Fees
12/24/15		Property Inspection								-\$14.00
12/31/15		Forecl. Attny Fee								-\$731.25
12/31/15		Forecl. Attny Fee								-\$924.50
12/31/15		Forecl. Attny Cost								-\$620.00
12/31/15		Forecl. Attny Cost								-\$45.00
01/11/16		Property Inspection								-\$20.00

15.9



currently NOT collectible

This Product Contains Sensitive Taxpayer Data

Account Transcript

Request Date: 03-25-2016
Response Date: 03-25-2016
Tracking Number: 100278941350

FORM NUMBER: 1040
TAX PERIOD: Dec. 31, 2011

TAXPAYER IDENTIFICATION NUMBER: [REDACTED]
SPOUSE TAXPAYER IDENTIFICATION NUMBER: [REDACTED]

GREGORY P PTASIEWSKI OSBORN

<<<<POWER OF ATTORNEY/TAX INFORMATION AUTHORIZATION (POA/TIA) ON FILE>>>>

--- ANY MINUS SIGN SHOWN BELOW SIGNIFIES A CREDIT AMOUNT ---

ACCOUNT BALANCE: 379,545.40
ACCRUED INTEREST: 16,845.45 AS OF: Apr. 11, 2016
ACCRUED PENALTY: 24,370.83 AS OF: Apr. 11, 2016

ACCOUNT BALANCE PLUS ACCRUALS (this is not a payoff amount): 420,761.68

** INFORMATION FROM THE RETURN OR AS ADJUSTED **

EXEMPTIONS: 04
FILING STATUS: Married Filing Separate
ADJUSTED GROSS INCOME: 840,534.00
TAXABLE INCOME: 657,500.00
TAX PER RETURN: 256,535.00
SE TAXABLE INCOME TAXPAYER: 106,800.00
SE TAXABLE INCOME SPOUSE: 0.00
TOTAL SELF EMPLOYMENT TAX: 32,800.00

RETURN DUE DATE OR RETURN RECEIVED DATE (WHICHEVER IS LATER) Oct. 14, 2014
PROCESSING DATE Nov. 03, 2014

TRANSACTIONS

Table with 3 columns: CODE EXPLANATION OF TRANSACTION, CYCLE DATE, AMOUNT. Rows include: 150 Tax return filed, n/a 16211-687-06150-4, 460 Extension of time to file tax return ext. Date 10-15-2012, 140 Inquiry for non-filing of tax return, 971 Notice issued CP 0059.

15-10

960	Appointed representative	08-05-2013	\$0.00
176	Penalty for not pre-paying tax	20144205 11-03-2014	\$1,456.81
166	Penalty for filing tax return after the due date	20144205 11-03-2014	\$57,720.37
276	Penalty for late payment of tax	20144205 11-03-2014	\$39,762.92
196	Interest charged for late payment	20144205 11-03-2014	\$24,070.30
971	Notice issued CP 0014	11-03-2014	\$0.00
971	Pending installment agreement	11-19-2014	\$0.00
582	Lien placed on assets due to balance owed	04-10-2015	\$0.00
971	Issued notice of lien filing and right to Collection Due Process hearing	04-14-2015	\$0.00
520	Bankruptcy or other legal action filed	04-27-2015	\$0.00
971	Collection due process request received timely	04-27-2015	\$0.00
972	Pending installment agreement	11-19-2014	\$0.00
521	Removed bankruptcy or other legal action	11-06-2015	\$0.00
971	Collection due process (hearing) resolved by Appeals - Notice of Determination letter issued, you waived judicial review or withdrew the hearing request	11-19-2015	\$0.00
530	Balance due account currently not collectable	12-28-2015	\$0.00
972	Pending installment agreement	12-28-2015	\$0.00

This Product Contains Sensitive Taxpayer Data

15-11



This Product Contains Sensitive Taxpayer Data

Account Transcript

Request Date: 03-25-2016
Response Date: 03-25-2016
Tracking Number: 100278941350

FORM NUMBER: 1040
TAX PERIOD: Dec. 31, 2012

TAXPAYER IDENTIFICATION NUMBER: [redacted] 4
SPOUSE TAXPAYER IDENTIFICATION NUMBER: [redacted] *

GREGORY P PTASIEWSKI OSBORN
202 MOUNTAIN AVE
RIDGEWOOD, NJ 07450-4019-028

<<<<POWER OF ATTORNEY/TAX INFORMATION AUTHORIZATION (POA/TIA) ON FILE>>>>

--- ANY MINUS SIGN SHOWN BELOW SIGNIFIES A CREDIT AMOUNT ---

ACCOUNT BALANCE: 211,073.07
ACCRUED INTEREST: 9,368.11 AS OF: Apr. 11, 2016
ACCRUED PENALTY: 23,526.37 AS OF: Apr. 11, 2016

ACCOUNT BALANCE PLUS ACCRUALS
(this is not a payoff amount): 243,967.55

** INFORMATION FROM THE RETURN OR AS ADJUSTED **

EXEMPTIONS: 05
FILING STATUS: Married Filing Separate
ADJUSTED GROSS INCOME: 530,424.00
TAXABLE INCOME: 411,820.00
TAX PER RETURN: 151,783.00
SE TAXABLE INCOME TAXPAYER: 0.00
SE TAXABLE INCOME SPOUSE: 0.00
TOTAL SELF EMPLOYMENT TAX: 11,681.00

RETURN DUE DATE OR RETURN RECEIVED DATE (WHICHEVER IS LATER) Oct. 14, 2014
PROCESSING DATE Nov. 03, 2014

TRANSACTIONS

Table with 3 columns: CODE, EXPLANATION OF TRANSACTION, CYCLE DATE, AMOUNT. Includes entries for tax return filed and appointed representative.

Handwritten note: 15-12

176	Penalty for not pre-paying tax	20144205 11-03-2014	\$1,849.77
166	Penalty for filing tax return after the due date	20144205 11-03-2014	\$34,151.17
276	Penalty for late payment of tax	20144205 11-03-2014	\$14,419.38
196	Interest charged for late payment	20144205 11-03-2014	\$8,869.75
971	Notice issued CP 0014	11-03-2014	\$0.00
971	Pending installment agreement	11-19-2014	\$0.00
582	Lien placed on assets due to balance owed	04-10-2015	\$0.00
971	Issued notice of lien filing and right to Collection Due Process hearing	04-14-2015	\$0.00
520	Bankruptcy or other legal action filed	04-27-2015	\$0.00
971	Collection due process request received timely	04-27-2015	\$0.00
972	Pending installment agreement	11-19-2014	\$0.00
521	Removed bankruptcy or other legal action	11-06-2015	\$0.00
971	Collection due process (hearing) resolved by Appeals - Notice of Determination letter issued, you waived judicial review or withdrew the hearing request	11-19-2015	\$0.00
530	Balance due account currently not collectable	12-28-2015	\$0.00
972	Pending installment agreement	12-28-2015	\$0.00

This Product Contains Sensitive Taxpayer Data

15-13



This Product Contains Sensitive Taxpayer Data

Account Transcript

Request Date: 03-25-2016
Response Date: 03-25-2016
Tracking Number: 100278941350

FORM NUMBER: 1040
TAX PERIOD: Dec. 31, 2013

TAXPAYER IDENTIFICATION NUMBER: [REDACTED]
SPOUSE TAXPAYER IDENTIFICATION NUMBER: [REDACTED]*

GREGORY P PTASIEWSKI OSBORN
202 MOUNTAIN AVE
RIDGEWOOD, NJ 07450-4019-028

<<<<POWER OF ATTORNEY/TAX INFORMATION AUTHORIZATION (POA/TIA) ON FILE>>>>

--- ANY MINUS SIGN SHOWN BELOW SIGNIFIES A CREDIT AMOUNT ---

ACCOUNT BALANCE: 73,782.81
ACCRUED INTEREST: 3,186.11 AS OF: Apr. 11, 2016
ACCRUED PENALTY: 10,303.20 AS OF: Apr. 11, 2016

ACCOUNT BALANCE PLUS ACCRUALS
(this is not a payoff amount): 87,272.12

** INFORMATION FROM THE RETURN OR AS ADJUSTED **

EXEMPTIONS: 05
FILING STATUS: Married Filing Separate
ADJUSTED GROSS INCOME: 449,092.00
TAXABLE INCOME: 344,457.00
TAX PER RETURN: 126,940.00
SE TAXABLE INCOME TAXPAYER: 0.00
SE TAXABLE INCOME SPOUSE: 0.00
TOTAL SELF EMPLOYMENT TAX: 7,358.00

RETURN DUE DATE OR RETURN RECEIVED DATE (WHICHEVER IS LATER) Oct. 09, 2014
PROCESSING DATE Nov. 17, 2014

TRANSACTIONS

Table with 3 columns: CODE, EXPLANATION OF TRANSACTION, CYCLE DATE, AMOUNT. Includes entries for tax return filed and withholding.

Handwritten number 15-14

460	Extension of time to file tax return ext. Date 10-15-2014	04-15-2014	\$0.00
170	Penalty for not pre-paying tax	20144405 11-17-2014	\$1,117.00
276	Penalty for late payment of tax	20144405 11-17-2014	\$2,747.52
196	Interest charged for late payment	20144405 11-17-2014	\$1,230.29
971	Notice issued CP 0014	11-17-2014	\$0.00
971	Pending installment agreement	11-19-2014	\$0.00
582	Lien placed on assets due to balance owed	04-10-2015	\$0.00
971	Issued notice of lien filing and right to Collection Due Process hearing	04-14-2015	\$0.00
960	Appointed representative	04-29-2015	\$0.00
520	Bankruptcy or other legal action filed	04-27-2015	\$0.00
971	Collection due process request received timely	04-27-2015	\$0.00
972	Pending installment agreement	11-19-2014	\$0.00
521	Removed bankruptcy or other legal action	11-06-2015	\$0.00
971	Collection due process (hearing) resolved by Appeals - Notice of Determination letter issued, you waived judicial review or withdrew the hearing request	11-19-2015	\$0.00
530	Balance due account currently not collectable	12-28-2015	\$0.00
972	Pending installment agreement	12-28-2015	\$0.00

This Product Contains Sensitive Taxpayer Data

15-15

STATEMENT

THIS IS A STATEMENT OF SERVICES RENDERED BY PHYSICIAN(S) WHO ARE MEMBERS OF:
 C Tobenna Okezie MD
 PO BOX 1732
 PARAMUS, NJ 076531732
 201-265-3111

PATIENT NAME		
Osborn, Gregory J		
BILL DATE	ACCOUNT NO.	AMOUNT PAID
05/01/2016	31746	

FINAL NOTICE
 Payment must be received within 10 days or we will be forced to take legal action.

Osborn, Gregory J
 202 Mountain Ave
 Ridgewood NJ 07450

This is a statement for professional services rendered by your physician. You may receive a separate bill from the hospital for its services.

DATE OF SERVICE	DESCRIPTION OF SERVICE	AMOUNT
12/04/2013	Claim:2526, Provider: C. Tobenna Okezie, MD	
12/04/2013	73140 X-RAY EXAM OF FINGER(S)	175.00
12/04/2013	99203 Office Visit, New Pt., Level 3	300.00
05/01/2014	OXFORD HEALTH PLANS INC Payment	0.00
05/01/2014	OXFORD HEALTH PLANS INC Withheld Amount	248.71
03/23/2015	Patient Payment	200.00
05/01/2016	The remaining balance is your coinsurance/deductible which is your obligation to pay.	
	Your Balance Due On These Services...	26.29
12/12/2013	Claim:1947, Provider: C. Tobenna Okezie, MD	
12/12/2013	26116 REMOVEL HAND LESION, DEEP	5,092.00
12/12/2013	64450 N BLOCK, OTHER PERIPHERAL	500.00
05/01/2014	OXFORD HEALTH PLANS INC Payment	0.00
05/01/2014	OXFORD HEALTH PLANS INC Withheld Amount	4,728.99
05/01/2016	The remaining balance is your coinsurance/deductible which is your obligation to pay.	
	FINAL NOTICE - PAYMENT MUST BE RECEIVED WITHIN 10 DAYS OR WE WILL BE FORCED TO TAKE LEGAL ACTION.	
	Your Balance Due On These Services...	863.01

DATE 05/01/2016	PATIENT NAME Osborn, Gregory J	ACCOUNT NO. [REDACTED]	PAY THIS AMOUNT \$889.30
---------------------------	--	----------------------------------	------------------------------------

MAKE CHECK PAYABLE TO : CTO ORTHOPAEDICS LLC

IMPORTANT MESSAGE REGARDING YOUR ACCOUNT

We are pleased to offer you the option of credit card payment. Please indicate your method below.

Payment Method: VISA MASTER CARD CHECK
Amount: _____
Credit Card No: _____
Signature: _____

Exp. Date: _____
Date: _____

15-16



Department of Taxation and Finance

Payment Document

If name or address shown is incorrect or has changed, enter correct information and return this entire payment document.

PTASIEWSKIOSBORN-GREGORY P
202 MOUNTAIN AVE
RIDGEWOOD NJ 07450-4019

Four horizontal lines for address correction.

Instructions

If you entered a name or address change above, return this entire document. Otherwise, detach the payment coupon below and include it with your payment. Be sure to:

- Mark an X in the appropriate box and enter the amount you are paying in the space provided.
Make your check or money order payable in U.S. funds to Commissioner of Taxation and Finance.
Write the Collection case ID number on your payment.

Pay online

If you prefer, you can pay online through our Web site at www.tax.ny.gov.

DTF-968.4 (9/13)

Payment for tax debts included in Collection case ID E-021593215-CL04-9

Payment for any other unpaid tax debts.

Enter Taxpayer ID:

Amount to be applied

\$

\$

Enter amount enclosed \$

For office use only. Form track number, Amount received, Payment effect/rec'd dates.

Mail to the address below



NYS ASSESSMENT RECEIVABLES
PO BOX 4127
BINGHAMTON NY 13902-4127

15-17

DTF-968.4 (9/13) 1DE4 - 1772200 P000755-03

E021593215CL049 000000000000



Ridgemakers LLC

202 Mountain Avenue
Ridgewood, N.J. 07450
Phone: 202 96073815 Fax: 946 314 3952
E-Mail: gregosborn@ridgemakers.com

January 8, 2016

William P. Esping
Principle
EFO Holdings
2828 Routh Street
Dallas, TX. 75201

SALE OF
BOARDWALK FROZEN
TREATS

Dear Bill,

As per our agreement, I am selling you 1225 Boardwalk Frozen Treat common shares (BFT) at \$110 per share for a total of \$134,750 dollars. Currently I have received payments in the form of "loans" from you totaling \$90,000. We are adding an additional \$10,000 in fees and interest; we have added the two, the \$90,000 cash received and the \$10,000 in rounded interest and fees, making the purchase prepayment \$100,000. Thus leaving a balance of \$34,750 in cash due me. I am also yielding you \$25,000 in 5 year warrants of ZapGo Charger when issued.

This letter also serves as a none reconcilable, non-recourse agreement to sell you my 1225 shares at \$110 a share, barring no other BFT holders countering a higher bid due to the BFT process. Should the BFT Sales process identify a premier offer, the first \$100,000 in proceeds will go directly to you in exchange for the current \$100,000 in liabilities I have to you and your entities.

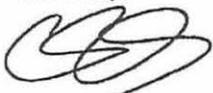
For being a true friend and fair businessman, if in fact a party offers more then the \$110 a share, I will yield 15% of that premium to you as well. I think this makes us completely whole and I can smile reference you and BABA, BFT and others as we wait for Xi3.

Upon acknowledgement of transfer by the Company of my 1225 BFT shares to you by the Company, you will return my Legacy Education shares (150,000 common), which Julie is holding to me and release any theoretical hold you may have on my 70,000 Peer Logic shares.

I greatly appreciate all you, Julie and Linda have done for my family and me the last year. THANK YOU.

Lastly and quite important (to me), the earliest that I could receive the wire of \$34,750 would greatly be appreciated. With Zap's funding not expected until Feb 15, I am operating on fumes. Please let me know if this is possible next week. Thank you.

Sincerely,



Gregory Osborn
Managing Member acting as Self.

15-18

JAY LIFTON LEGACY BOOK DOLLAR

Execution Copy

STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement (this "*Agreement*") made and entered into as of May 10, 2016, between the individual or individuals named as the purchaser on the signature pages hereto (each a "*Buyer*") and the individual or individuals named as the selling shareholder on the signature page hereto (each a the "*Seller*").

This Agreement sets forth the terms and conditions upon which the Seller is selling to Buyer and Buyer is purchasing from Seller the number of shares (hereinafter referred to as the "*Shares*") of common stock (the "*Common Stock*") of Legacy Education Alliance, Inc., a Nevada corporation (the "*Company*") indicated on the signature page hereto in a private stock sale transaction. As indicated on the signature page hereto, Shares may be "*Restricted*", in which case such Shares ("*Restricted Shares*") satisfy the definition of "*restricted securities*" as set forth in Rule 144(a)(3) under the Securities Act of 1933, as amended (the "*Securities Act*"), or "*Free-Trading*", in which case such Shares ("*Free-Trading Shares*") do not satisfy the definition of "*restricted securities*" as set forth in Rule 144(a)(3) under the Securities Act and may be sold without restriction as to time, amount or otherwise.

In consideration of the mutual agreements contained herein, the parties hereby agree as follows:

I. SALE OF THE SHARES.

1.01 Shares being Sold. Subject to the terms and conditions of this Agreement, Seller is selling the Shares to the Buyer.

1.02 Consideration. The "*Purchase Price*" of the Shares shall be the amount indicated on the signature page hereto.

1.03 Settlement Funds. Buyer will transfer the Purchase Price in cash or by electronic wire transfer in accordance with instructions provided by the Seller to the Buyer.

1.04 Closing. The "*Closing*" of the transactions contemplated hereby shall take place simultaneously with the execution and delivery hereof or at such other date and time as the parties may mutually agree in writing.

1.05 Delivery by the Seller. At the Closing, upon receipt of the payment of the Purchase Price, Seller shall deliver to the Buyer a certificate representing the Shares together with a duly executed stock power, with medallion signature guaranty, together with a consent authorizing such sale in the event that Seller is not a natural person. Such certificates, stock powers, and consents, as applicable, shall be delivered to the address provided by Buyer to Seller.

II. RELATED TRANSACTIONS.

2.01 Finder, Broker/Dealer. Seller and Buyer acknowledge that there were no finders or Broker/Dealers with respect to the transaction contemplated herein.

III. REPRESENTATIONS AND WARRANTIES OF SELLER.

Seller hereby represents and warrants as follows:

3.01 Organization, Capitalization, etc. To the Seller's best knowledge, the Company is a corporation duly organized, validly existing, and in good standing under the laws of the State of Nevada, and is qualified in no other state.

15-19

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the Buyer, the Seller and the Company on the date first above written.

BUYER:

Buyer's Address for Notices:

Name: _____
Title: _____

SELLER:

Seller's Address for Notices:

Name:
Title:

Number of Restricted shares being sold/purchased:	0
Number of Free Trading shares being sold/purchased:	150,000
Aggregate Purchase Price:	\$30,000.00
Per share price:	\$0.20

15-20

Date: 08/10/2016

Dear Gregory Osborn,

The following is a summary of your visit today. If you have any questions, please contact our office.

Sincerely,

Electronically Signed by: RAHAT SALAMAT MD

Patient Care Summary for Gregory J Osborn

Most Recent Encounter

08/10/2016 Rahat Salamat: 1200 E. Ridgewood Ave, Ridgewood, NJ 07450-3957, Ph. tel:+1-201-6897755

Reason for Visit

Snoring; snoring; consult

Assessment and Plan

The following list includes any diagnoses that were discussed at your visit.

1. Snoring
2. Obstructive sleep apnea syndrome
3. Anxiety

Discussion Note: None recorded.

Patient educational handouts: No information available.

Plan of Care

Reminders		Provider
Appointments	Est Patient 15 on or around 09/07/2016	Rahat Salamat, MD
Lab	None recorded.	
Referral	None recorded.	
Procedures	None recorded.	
Surgeries	None recorded.	
Imaging	None recorded.	

Current Medications

Your medical record indicates you are on the following medicine. If this list is not consistent with the medications you are currently taking, or if you are taking additional over-the-counter medicines, please inform your provider.

Name	Prescribed Date	Start Date
------	-----------------	------------

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Notes: tonsillectomy age 4

Vaccine List

Here is a copy of your most up-to-date vaccination list.

Vaccine Type

Tdap
06/01/2016 0.5 mL

Notes: fluvax 2014

Smoking Status

Smoking Status [REDACTED]

Past Encounters

[REDACTED]

Demographics

Sex:	Male	Ethnicity:	Not Hispanic or Latino
DOB:	[REDACTED]	Race:	White
Preferred language:	English	Marital status:	Married

Contact: [REDACTED]

Care Team Members

Primary Care Provider

Karen Hart MD

301 Godwin Ave, Midland Park, NJ 07432, Ph. tel:+1-201-4444526

15-23
PAGE 3

EXHIBIT #16

Random Wire emails, directions and instructions

Subject: RE: Wires

Date: Tuesday, March 29, 2011 at 9:05:08 AM Eastern Daylight Time

From: Jennifer Bienenstock

To: Gerald Coviello, GREG OSBORN, smd@mcmplaw.com

CC: Paul Weber

Attached is the escrow release notice dated 11.2.10, which includes a wire to Bacterin for \$416,998.54.

Jen

Jennifer L. Bienenstock
McMillan, Constable, Maker & Perone, LLP
2180 Boston Post Road
Larchmont, NY 10538
Phone (914) 834-3500
Fax (914) 834-0620

email: jbienenstock@mcmplaw.com

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From: Coviello, Gerald [<mailto:GCoviello@WMD-LAW.com>]
Sent: Monday, March 28, 2011 6:47 PM
To: Greg Osborn
Cc: Jennifer Bienenstock; Weber, Paul
Subject: Wires

We had copies of 2 of the requested wires which were from the TD bank account. The other one is from McMillan. Jen you should have a copy of the \$416,998.54 wire.

Gerald Coviello
Wollmuth Maher & Deutsch LLP
500 Fifth Avenue
New York, New York 10110
T: (212) 382-3300
F: (212) 382-0050
www.wmd-law.com

16-1

Subject: Abtech Escrow Agreement

Date: Friday, July 29, 2011 at 5:08:17 PM Eastern Daylight Time

From: Gerald Coviello

To: Brennan, Jaime D., Glenn Rink

CC: GREG OSBORN, Mike Teicher, Salvatore Di Costanzo, Jennifer Bienenstock

Priority: High

Glenn and Jaime:

Attached please find a proposed form of escrow agreement to be used in connection with the \$2.5M bridge.

Please let me know if you have any questions or comments.

I will be sending the full package of investor documents shortly.

Regards,

Gerald

Gerald Coviello
Wollmuth Maher & Deutsch LLP
500 Fifth Avenue, 12th Floor
New York, New York 10110

T: 212-382-3300

F: 212-382-0050

www.wmd-law.com

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16.2

Subject: Re: Wire amounts -- Jim - pls review and ok
Date: Tuesday, June 7, 2011 at 2:18:12 PM Eastern Daylight Time
From: GREG OSBORN
To: Craig Sherman

Amanda

--
Gregory J. Osborn
Co-Founder Managing Partner.
Middlebury Securities,
L.L.C. Greg@midsec.com
Office 201 670 4386
Cell [REDACTED]
EFax 646 514 3980
170 East Ridgewood Ave
Ridgewood, NJ 07450
www.middleburygroup.com

JIM'S
"LEAD"

"It's Tough to make predictions, especially about the Future."
Yogi Berra

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From: Craig Sherman
Sent: Tuesday, June 07, 2011 02:17 PM
To: Greg Osborn
Cc: James Robinson
Subject: Wire amounts -- Jim - pls review and ok

16-3

Greg,

Wire amounts as we discussed:

Greg - \$39,330

Jim \$8,580

Lichaw \$81,230

Shaw - \$17,910

Teicher - \$36,700

Max - \$31,360

Donna - \$8110

Craig - \$3700

Left to be wired after today:

RIA - \$20K towards legal expenses

E brachfeld \$4500

Alan Miller \$4000

Greg \$54,200

Escrow \$379558

Craig J. Sherman
Office +1 802 458 0369
Mobile +1 802 922 1854
Skype craig.j.sherman
ICQ 490-121-147

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Subject: Wiring Instructions for Midd Ventures III (Qualified Purchasers)
Date: Wednesday, April 27, 2011 at 9:25:13 AM Eastern Daylight Time
From: Max Levine
To: GREG OSBORN
CC: Donna Schulze

Wiring Instructions for Middlebury Ventures III (Qualified Purchasers)

Receiving Bank:

Hudson Valley Bank
875 Mamaroneck Avenue
Mamaroneck, NY 10543

ABA#:

021909300

Further Attention, Beneficiary:

SPV Qualified

2115000003

(DO NOT WRITE Middlebury Ventures III or Attn: Middlebury)

Escrow Account Agent:

Salvatore M. DiCostanzo
McMillan, Constabile, Maker & Perone, LLP
2180 Boston Post Road
Larchmont, NY 10538
Phone (914) 834-3500
Fax (914) 834-0620

Cheers,
Max Levine



**Middlebury
Group**

Middlebury Asset Advisors LLC
Middlebury Securities LLC
maxlevine@middsec.com
(m) +1.802.377.5161
(f) +1.734.592.2319
1043 Sheep Farm Road
Weybridge, VT 05753
www.middleburygroup.com

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16-4

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Subject: Abtech Release Notice

Date: Friday, June 22, 2012 at 4:34:29 PM Eastern Daylight Time

From: Donna Schulze

To: Yosef Milgrom, Rich O'leary, John Connors, Larry Lippon

CC: Mike Teicher, GREG OSBORN, Craig Sherman, Jim Robinson

Attached for your files is the executed Collateral Agreement.

Please sign the attached Exhibit B (Form of Release) and email or fax back to me at 303-955-1593.

I can be reached at [REDACTED] with any questions.

Thanks,

Donna Schulze



**Middlebury
Group**

170 East Ridgewood Ave
Ridgewood, NJ 07450

Cell: [REDACTED]

Fax: 303-955-1593

donnaschulze@middsec.com

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16-5

Subject: Escrow Agreement

Date: Monday, June 7, 2010 at 4:50:06 PM Eastern Daylight Time

From: Gerald Coviello

To: Greg Osborn, Guy Cook

CC: Ben Huber, Michael Tuzzo

Greg and Guy,

Please sign the attached escrow agreement and signature cards and return to me by email or fax at (212) 416-7698.

Regards,

Gerald

Gerald Coviello
Wollmuth Maher & Deutsch LLP
500 Fifth Avenue, 12th Floor
New York, New York 10110

T: 212-382-3300

F: 212-382-0050

www.wmd-law.com

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16-7

Subject: RE: Nuvel: Escrow Agreement
Date: Wednesday, February 29, 2012 at 10:58:34 AM Eastern Standard Time
From: Craig Sherman
To: Stefanie Lin
CC: Donna Schulze, GREG OSBORN, Darren Ofsink, Jennifer Bienenstock

I do not have a copy in word format – maybe McMillan does.

Jen – do you have this document available in Word form?

Regards,

Craig J. Sherman



Middlebury Securities LLC
FIN/OP Manager
www.themiddleburygroup.com

Middlebury Capital Svc
Operations Manager

1043 Sheep Farm Rd., Weybridge VT 05753

Office +1 802 458 0369 Mobile +1 802 922 1854 Fax +1 8024193738

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16-8

Subject: Nuvel Wire Instructions

Date: Friday, September 16, 2011 at 11:40:32 AM Eastern Daylight Time

From: Donna Schulze

To: dana gerhard

CC: GREG OSBORN, Chris Marshall, Craig Sherman

Dana,

Please see attached wire instructions for Nuvel. The escrow agent asked that you please make a notation indicating that the wire is for Nuvel.

Thank you,



**Middlebury
Group**

Donna Schulze

170 East Ridgewood Ave

Ridgewood, NJ 07450

Cell: [REDACTED]

Fax: 303-955-1593

donnaschulze@middsec.com

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16-9

Subject: Nuvel Wire Instructions

Date: Friday, September 16, 2011 at 11:40:32 AM Eastern Daylight Time

From: Donna Schulze

To: dana gerhard

CC: GREG OSBORN, Chris Marshall, Craig Sherman

Dana,

Please see attached wire instructions for Nuvel. The escrow agent asked that you please make a notation indicating that the wire is for Nuvel.

Thank you,



Donna Schulze

170 East Ridgewood Ave

Ridgewood, NJ 07450

Cell [REDACTED]

Fax: 303-955-1593

donnaschulze@middsec.com

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16-10

WIRING INSTRUCTIONS

ESCROW ACCOUNT

Bank=s Name and Address: Citibank, N.A.
1920 Palmer Avenue
Larchmont , New York 10538

Name of Account: McMillan, Constabile, Maker & Perone, LLP Attorney Escrow Account

Account #: [REDACTED]

ABA Routing #: 0 [REDACTED]

International Swift Code: CITIUS-33

12-11

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--

From: Donna Schulze <donnaschulze@middsec.com>
Date: Tue, 22 Mar 2011 17:46:23 -0400
To: greg <greg@middsec.com>
Cc: Gerald Coviello <gcoviello@wmd-law.com>
Subject: Bacterin Escrow

Greg,

We need to pay out the following from Bacterin escrow:

WMD: \$5713.00
JDC Enterprise: \$22,718.25
Kadco Medical: \$3125.00
Adam Kugler: \$812.50
Phyllis Cioffi: \$112.50

Thanks



**Middlebury
Group**

16-12

From: Greg Osborn [mailto:greg@midsec.com]
Sent: Monday, January 31, 2011 2:41 PM
To: Donna Schulze
Cc: gcoviello@wmd-law.com; Michael Teicher
Subject: Re: Wires

No money at all????

--
Gregory J. Osborn Co-Founder Managing Partner Middlebury Securities, L.L.C. Greg@midsec.com
Office 201 670 4386
Cel [REDACTED]
EFax 646 514 3980
170 East Ridgewood Ave
Ridgewood, NJ 07450
www.middlebrygroup.com

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From: Donna Schulze
Sent: Monday, January 31, 2011 03:01 PM
To: Greg Osborn
Cc: 'Coviello, Gerald' <GCoviello@WMD-LAW.com>; Michael Teicher
Subject: FW: Wires

Just so we are all on the same page, \$25,000 came in from 401K Rockhill which is Dan Hancock.

As of this morning, no money has come in from JDC Enterprise.

From: Jennifer Bienenstock [mailto:jbienenstock@mcmillanconstabile.com]
Sent: Monday, January 31, 2011 12:54 PM
To: smd@mcmplaw.com; 'Coviello, Gerald'; Greg Osborn; Donna Schulze
Subject: Wires
Importance: Low

We received the wires bellow. Please let me know which investment the wires are for.

01/28/11	13:42	<u>HARRY MITTELMAN TTEE</u> (Castelmec)	25,000.00
----------	-------	---	-----------

16-13

01/27/11	13:09	ROCKHILL PAIN SPECIALIST PC 401K	10,000.00
01/26/11	12:03	ROCKHILL PAIN SPECIALISTS PC 401K	15,000.00

Jen

Jennifer L. Bienenstock
 McMillan, Constabile, Maker & Perone, LLP
 2180 Boston Post Road
 Larchmont, NY 10538
 Phone (914) 834-3500
 Fax (914) 834-0620

email: jbienenstock@mcmplaw.com

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16-14

KREBSBACH & SNYDER

A Professional Corporation

ATTORNEYS AT LAW

ONE EXCHANGE PLAZA
55 BROADWAY, SUITE 1600
NEW YORK, NEW YORK 10006

www.krebsbach.com

May 7, 2012

TEL: 212-825-9811

FAX: 212-825-9828

Via Overnight Mail

Gregory J. Osborn
Managing Partner
Middlebury Group, LLC
170 East Ridgewood Avenue
Ridgewood, NJ 07450

Re: FINRA Examination 20110254389

Dear Greg:

Enclosed is our most recent invoice as well as Krebsbach & Snyder, P.C. check no. 1268 payable to your order in the amount of \$9,492.90, representing the balance of funds in the escrow account we maintained on your behalf.

Very truly yours,



Theodore A. Krebsbach

10-1

DuaneMorris

FIRM and AFFILIATE OFFICES

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MIAMI
PITTSBURGH
NEWARK
BOCA RATON
WILMINGTON
CHERRY HILL
LAKE TAHOE
HO CHI MINH CITY

July 27, 2012

GREGORY J. OSBORNE
AXIOM CAPITAL MANAGEMENT, INC.
780 THIRD AVENUE
43RD FLOOR
NEW YORK, NEW YORK 10017

FINRA EXAMINATION OF MIDDLEBURY SECURITIES

File# Y5203-00001

Invoice# 1781112

IRS# 23-1392502

FOR PROFESSIONAL SERVICES RECORDED
THROUGH 07/26/2012 IN CONNECTION
WITH THE ABOVE-CAPTIONED MATTER.

\$24,450.00

TOTAL FEES AND DISBURSEMENTS
LESS PREVIOUS CREDITS RECEIVED
NET AMOUNT

\$24,450.00

-\$24,450.00

\$0.00

TOTAL BALANCE DUE

\$0.00

DISBURSEMENTS BILLING HISTORY

Year-to-date Disb Billed

0.00

Year-to-date Disb Paid

0.00

17-2

File # Y5203-00001

INVOICE# 1781112

FINRA EXAMINATION OF MIDDLEBURY SECURITIES

<u>DATE</u>	<u>ID #</u>	<u>TIMEKEEPER</u>		<u>HOURS</u>	<u>VALUE</u>
6/26/2012	05110	MP PICKHOLZ	E-MAILS AND TELEPHONE CALLS WITH LARKIN, ROBINSON, OSBORN RE VARIOUS TOPICS; EMAILS OSBORN RE ROBINSON; TELEPHONE CALL LARKIN RE MEETING.	1.40	\$1,064.00
6/27/2012	05110	MP PICKHOLZ	MULTIPLE TELEPHONE CALLS AND EMAILS WITH OSBORN (COMMENCING AT 6:52 A.M.), LARKIN SCOPE AND RESPONSES TO FINRA BY FIRM; TELEPHONE CALL OSBORN RE FINRA INFO REQUESTS.	3.60	\$2,736.00
6/28/2012	05110	MP PICKHOLZ	MEETING WITH OSBORN; MEETING OSBORN, LARKIN AND ROBINSON.	3.20	\$2,432.00
7/3/2012	05110	MP PICKHOLZ	EXTENSIVE EMAILS EXCHANGES AMONG MP, FRUMENTO, OFSINK, LARKIN RE CHANGES IN COUNSEL; CONTRACT TERMS FOR MUTUAL SEPARATION AGREEMENT.	0.80	\$608.00
7/5/2012	05110	MP PICKHOLZ	FINRA BROKER CHECK FOR OSBORN AND FOR MIDDLEBURY AND REVIEW PRINT OUT INFORMATION; MULTIPLE EMAILS WITH CLIENT; TELEPHONE CALL FRUMENTO AND KORENMAN TIME.	4.10	\$3,116.00
7/6/2012	05110	MP PICKHOLZ	EXTENSIVE EMAILS WITH SHERMAN, AND OSBORN; TELEPHONE CALL OSBORN; LENGTHY EMAIL TO FRUMENTO AND KORENMAN; REVIEW OSBORN PRIOR EMAILS WITH RESPONSES TO FINRA SENT TO MIDDLEBURY OR ITS REPRESENTATIVES; LENGTHY EMAIL TO FRUMENTO AND KORENMAN RE PRIOR AGREED "DEAL."	2.50	\$1,900.00
7/9/2012	05110	MP PICKHOLZ	EXTENSIVE AND MULTIPLE EMAILS FROM OSBORN.	2.00	\$1,520.00
7/10/2012	05110	MP PICKHOLZ	EXTENSIVE EMAILS FROM OSBORN.	1.00	\$760.00
7/11/2012	05110	MP PICKHOLZ	EXTENSIVE TELEPHONE CALLS OSBORN RE HIS IDEAS FOR SETTLEMENT, PERCENTAGES TO BE ALLOCATED, 2 YEAR CARRY FORWARD FOR ROBINSON ON DEALS INVOLVING ABTECH, NUVEL AND RYMED; CURRENT ACCOUNTING ON RYMED BRIDGE FINANCING;, DIRECT WIRE TO AXXIOM OF \$500K FEE HE THINKS IS DUE THIS WEEK ON BACTERIN TO BE WIRED TO AXXIOM.	1.00	\$760.00
7/11/2012	05110	MP PICKHOLZ	MULTIPLE EMAILS WITH FRUMENTO RE COMMISSIONS DUE, DOLLAR ALLOCATIONS FOR RESOLUTION, RYMED; TELEPHONE CALL OSBORN RE	2.40	\$1,824.00